



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

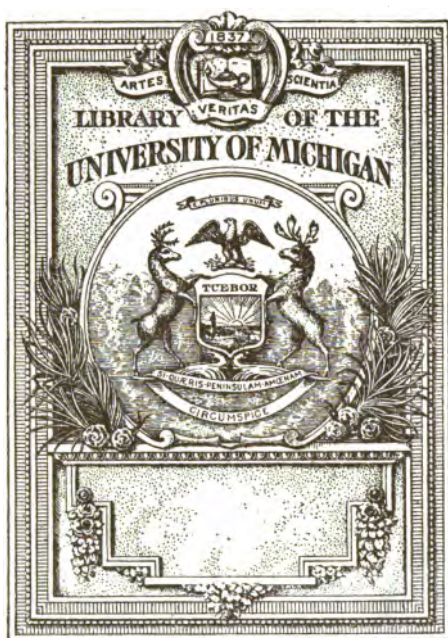
Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>



HF
3515.
A82

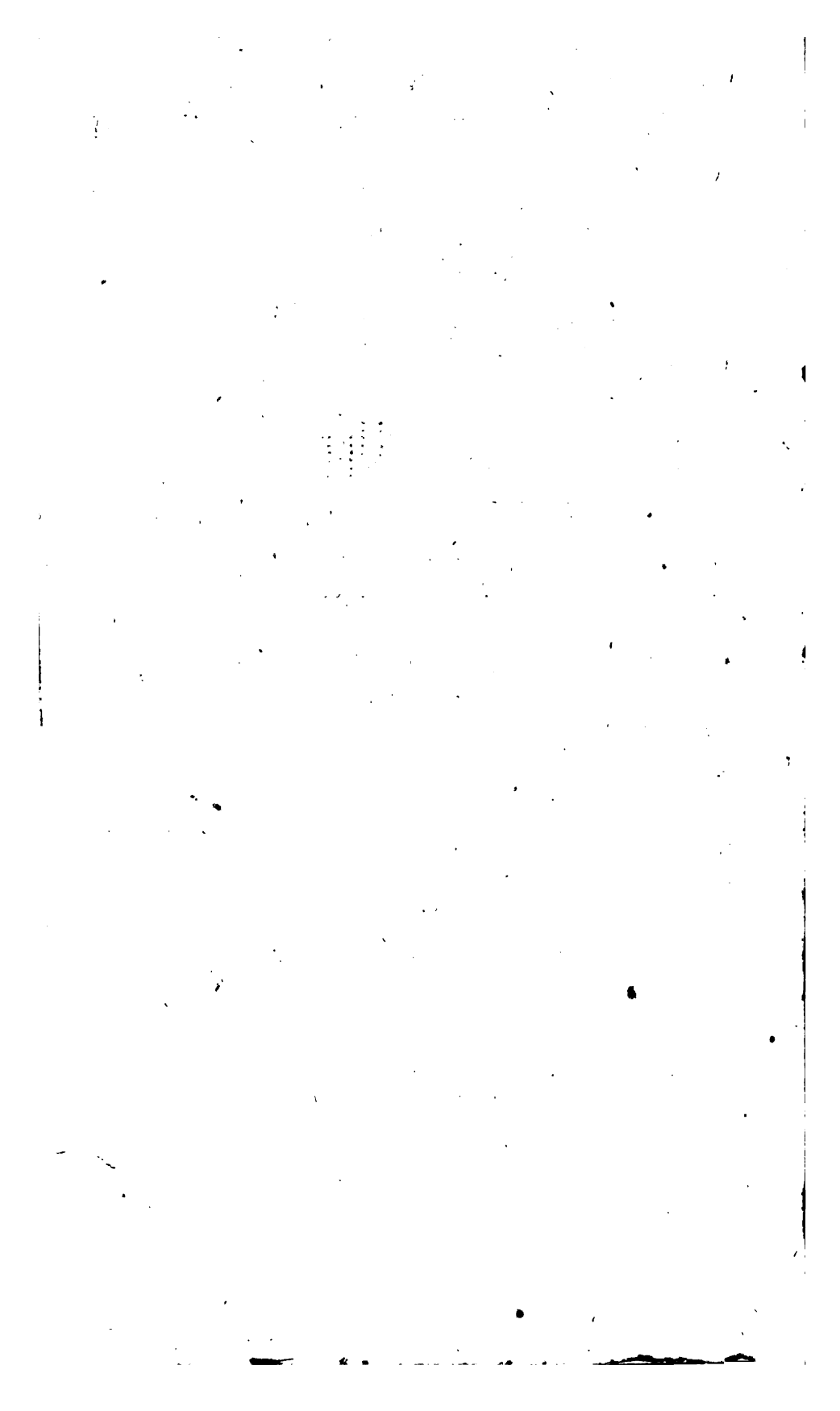
AN
INQUIRY
INTO THE
CAUSES AND CONSEQUENCES
OF THE
ORDERS IN COUNCIL;
AND
AN EXAMINATION
OF THE
CONDUCT OF GREAT-BRITAIN
TOWARDS THE
NEUTRAL COMMERCE
OF
AMERICA.

By **ALEXANDER BARING, Esq. M. P.**

NEW-YORK:

RE-PRINTED FROM THE LONDON EDITION,
And sold by JOHN BLEECKER, N^o. 148, and HOPKINS & BAYARD, 118,
PEARL-STREET.

1808.



INTRODUCTION.

THE serious dangers which now surround us, have at least the advantage of drawing forth from every quarter efforts to enlighten the public mind, as to the best means of meeting them, and of imprinting on those efforts a stamp of sincerity which can hardly fail to satisfy the most suspicious. It has been usual to exaggerate the consequences of every existing war, and the importance of the object in contest : the loss of America, the occupation of the Netherlands by France, were, in their turns, the subjects of gloomy political predictions : but unfortunately the vital importance of the question now at issue bids defiance to exaggeration. The dream of universal empire, which sometimes crossed the brain of the vain or imbecile monarchs of France, is now realizing. The union, which the world never before saw, of irresistible force with the most consummate art, is combined to rear this gigantic fabric, while the total destitution of energy and genius, on the other side, appears to exhibit, by such an unusual concurrence of circumstances, the hand of Providence in this extraordinary revolution.

In such a crisis, to suppose in any writer the bias of interest, in its confined meaning, in any opinions he may publish, must also suppose the absence

of common sense. A few years must determine the fate of this country, and it can hardly be supposed that merchants, naturally more interested in preserving than in acquiring, should be occupied with collecting a few paltry profits from their trade, at the expense of their dearest interest. It would be the folly of a man expecting to get rich by the plunder of his own wreck.

To those who are not satisfied with this general declaration, any more minute defence must be equally unsatisfactory, and I shall therefore detain the reader no longer with myself or my motives. I must, however, add, that a severe indisposition has delayed the publication of these observations, and obliges me to claim indulgence for any inaccuracies of expression which I might otherwise have corrected.

Portman Square, 4th February, 1808.

INQUIRY,

&c. &c.

IT might naturally have been expected that, in proportion as our vigilant enemy, pursuing his system of war on our commerce, succeeded in gradually banishing it first from his own dominions, and subsequently from the whole of the Continent of Europe, with the single exception of the poor and barren country of Sweden, considerable loss and embarrassment to several branches of that commerce must ensue.

The West-India planters, who, from causes which we shall hereafter notice, had extended their cultivation much beyond the consumption of the mother country, were the first to complain. — The ship-owners, excluded from one port after the other on the Continent, as they fell under the dominion of France, and suffering in some degree from the distresses of the West-India planters, soon followed them. The exporter of goods to the Continent had lost his trade, and in many instances part of his outstanding capital. The East-India Company's ware-houses were loaded with goods belonging to the Company and individuals, for which there was a very inadequate demand.

These several important and powerful bodies united the principal commercial interests of the country: their distress was well known to be real, and could not fail to attract the attention of the public and of Government. But the remedy was not so apparent: for want of any satisfactory solution of the difficulty, perhaps also from an inconsiderate disposition to involve in their common misfortunes the only remaining branch of trade left uninjured, a state of things, the real cause of which was sufficiently obvious, was ascribed by all to the intercourse of neutrals with the Continent of Europe; and the want of sale for their commodities was asserted to be the effect, not of the restrictions of the enemy, but of the competition of Americans. This delusive

opinion was unfortunately, as I must think, too ably illustrated by the author of "War in Disguise;" and while the sufferers caught eagerly at the supposed cause of their misfortunes, the eloquence of this performance, employed on materials partially sound and generally plausible, combined with the manly and patriotic spirit which it breathes, established the author's opinions in the mind of the public at large, and with many statesmen of all political parties.

The advocates of the West-India interest, in a variety of publications, became particularly pressing for the enforcement of the suggested remedies: their former partiality for America vanished; the old grievance of want of intercourse with her was forgotten; the so often repeated complaint of high duties was now a minor object; and their great weight in the general scale of national wealth was pompously displayed, to compel the Government to adopt their now favourite plan of forcing their commodities on the Continent of Europe, at the risk of war with the remaining neutrals. This was to be the effectual remedy for all their misfortunes; and one of the most intelligent and moderate of that body*, concludes his suggestion of various remedies, with which the public are already familiar, by regretting that, notwithstanding the strong case made out by the author of "War in Disguise," the British government had not chosen to avail itself of the *fortunate opportunity of going to war with America*. This writer, it is true, confines his information as to the *fortunate* consequences of such an event to the sale of his sugar; but lest the unfortunate effects, as also the injustice as well as impolicy of ruining one trade to support another, should occur to the reader, he takes care, as all writers on the same side have done, to interest the independent feelings of the country, by adding that we should "convince America that Great-Britain, though she has conceded much, will not concede every thing." I shall hereafter consider separately in how far the character or interest of the country is concerned in such an event; my present object being only to explain in what motives its recommendation originated.

It may appear singular that, while Government and the public were so closely beset by the advocates of an American war,

* Mr. Bosanquet's Letter on the Causes of the Depreciation of West-India property, page 42.

or the adoption of such measures as it was feared might lead to it, the opposite interest, which is represented as being of such importance, should have remained silent : at least I have met with nothing written in this country in its defence. But though perhaps their extreme supineness, and confidence in the good sense of Government, were singular and blameable, yet it should be recollected, that the great interest in American intercourse is with the manufacturers scattered over the whole country, and who are never able to act in a body with a weight corresponding to their importance. The commerce with America, properly so called, is comparatively trifling, and the great mass of that is in Liverpool. The London merchants, few in number, act almost solely as bankers for the trade generally, receiving the proceeds of consignments from America to all parts of the world, and paying the drafts of the merchants there to the order of our manufacturers. There are very few London houses of any note engaged solely, or even principally, in trade with America, and these, so far from having an interest opposed to the new established system, would, as will soon be seen, be most essentially benefitted by it, if the whole be not destroyed by war. Liverpool is the principal scene of American commerce : its vicinity to the cotton manufactures of Lancashire gives it the advantage of their export, and still more of the import of the raw material. The bulky articles of earthen ware and salt afford also return cargoes to America, which give it a preference over every port of Europe. It is well known that the merchants of the outports are seldom so active or so much listened to in their interference with Government as those of the capital. In the early part of the present discussion, the Liverpool merchants were quiet spectators of the attempts to repair the ruined fortunes of others at their expense, and probably deceived by objects immediately surrounding them, conceived it impossible that war with a country, whose intercourse they knew imparted life and industry to all around them, should be undertaken in the name of commerce and national wealth. They were, however, alarmed by an event of a different description, and to which they probably attached unnecessary importance. The rencontre between the Leopard and Chesapeake drew from the Liverpool chamber of commerce some hasty proposals of interference with Government, which, I believe, they afterwards themselves saw the impropriety of, and the failure of this ill-judged attempt, with the

reception, which the exceptionable form of it procured for it, may have deterred them from those efforts of self-defence, which, exerted with more discretion, might have proved beneficial.

Such has been the conduct of the great commercial bodies interested in this important question; all activity on one side, and supineness on the other—while the colonial and shipping interests were importuning every Administration, and every Parliament, with their reports, resolutions, and claims, the American interest, from the want of that union which the nature of their concerns forbids, contented themselves at every repetition of measures, from which their knowledge of the state of America induced them to entertain apprehensions, with requesting explanations of the views and intentions of Government, which were in general obscurely developed.

In the system of conduct towards America, so perseveringly recommended, the West India advocates, it must be admitted, had no desire for war, if their object could otherwise be accomplished; but they were willing it should be risked; and by their eagerness to explain the little mischief that, according to their ideas, was to be the result, they evidently betrayed their opinions of the consequence of their claims.

The comprehensive mind of Mr. Pitt, however, was not to be deceived: he heard the complaints of the West India merchants; he read their great champion, "War in Disguise;" but supplying himself the case of those who were not heard, and considering the general interests of the country at large, his conduct remained unaltered, with the exception of some encreased vexations to the American trade, which will be noticed in their proper place. The public have indeed been favoured on this, as on other subjects, with some opposite posthumous opinions of this great authority, but which can be entitled to little weight, when opposed to his conduct during the whole of his Administration; every period of which, it will be hereafter shown, was more favourable for the introduction of this new system than the present, when we are prevented, by subsequent occurrences, from deriving the most essential benefits it then promised.—The last Administration followed, in point of fact, towards America, nearly the footsteps of Mr. Pitt, and I do not believe they were more strongly impressed than he was with the sound policy of cultivating a good understanding with that country. If there was any alteration, it consisted more in form than in substance: the one

did ungraciously what the other did liberally. Mr. Pitt seemed to regret a policy which he could not deny—while Mr. Fox appeared pleased to find the interests of his own country unite with the conciliation of another, in which he felt an interest. For when these favourable circumstances produced a mutual desire to secure the union of the two countries by a treaty, the attempt failed, and the terms insisted on by the last Administration were even, upon the whole, less favourable to America than those granted during that of Mr. Pitt.

It is not intended here to enter into any examination of these treaties, excepting where it may be necessary for the elucidation of the subjects, already too numerous, which I propose to discuss. It is useless to consider minute details of regulations for the intercourse between the two countries, when the general policy remains unsettled. The differences which manifested themselves might have given trouble to future negotiators, but could never have produced war ; at all events, they are lost in the magnitude of subsequent measures. It is no longer a question how the trade shall be carried on, but whether it shall exist in any shape.

The late Ministers were always accused by their opponents, now in power, of undue partiality towards America : two subjects of discussion, the American Intercourse Act, and the Proclamation of the 7th January, 1807, in retaliation of the Berlin Decree, made this subject a party question ; when, unfortunately for our country, what is done by one side must be disapproved by the other ; and on the accession to power of the present Administration, the hopes again revived of those, who had employed in vain their assiduity with all former Ministers, of at last seeing the first opportunity availed of for going to war with America. Nor were they disappointed ; for the predetermination of the present Government to have recourse to an entirely new system of conduct, was evinced by the Berlin Decree of the 21st November, 1806, of the inadequate retaliation of which they had formerly complained, being brought forward to justify the important Orders of Council of the 11th November.

But the fashionable vigour of the day did not permit the authors of this measure to confine themselves to the recommendations of the commercial interests which had produced it : all the West-India planter wanted was a prohibition of any foreign supply of colonial produce to the Continent, which was to be produced by a strict enforcement of the principle of the war of 1756.

Sensible that after finding a foreign market for his produce, the next object of his solicitude was not to lose that of America for his rum, nor the supplies from that country indispensable for his existence, he did not wish to carry the measure further than was necessary for his own purposes, or than, according to his calculation, and that upon plausible ground, America would probably bear. But this limitation was not in his power, and the new orders were of a description to produce a revolution in the whole commerce of the world, and a total derangement of those mutual rights and relations, by which civilized nations have hitherto been connected.

This measure, before its tendency has been duly considered, has been received through the country with that ephemeral popularity which but too generally attends measures of novelty and violence. Ministers have not mistaken the road to public opinion in establishing a reputation for vigour, the merit of which in most political operations cannot be denied, though it could not be more unfortunately applied than to commerce. No brilliancy of achievement is here able to hide the mischief of bad policy; the balance at last must be struck, and the proof of the calculation evident to the most ignorant. If questions of political economy offer great difficulty to the prospective researches of the most skilful, they have at least the advantage of affording through experiment a certain result. Aware that in this science experience only is a safe guide, the wisest statesmen have felt their way with caution and diffidence. The interference of the hand of power in any shape is scarcely ever beneficial to the merchant. A languid Government generally suits him best, and the little benefit that may sometimes arise from vigour is enormously overbalanced by a single mistake, when it is so much better to be feebly than *vigorously* wrong. To this may perhaps be attributed, among other causes, why commerce has always prospered better under the old, indecisive, and temporizing Government of Holland, than under that of the most intelligent of despotic princes.

My object in entering into this detail of the proceedings of the merchants, and of the conduct of different Administrations, which have at last ended in these important changes, is to show that, under whatever pretences they are recommended to popularity, they are purely the result of commercial calculation. The West-India planter and merchant, the ship owner, the manufacturer for, and trader with America, all contribute largely to the gene-

ral mass from which our resources are derived : while each promotes with that honest zeal, which is the best means of general prosperity—his separate interests. But the public is in the situation of a general merchant, who has the whole of these various branches of commerce united in him. He endeavours by his skill to improve them equally ; but when the interests of any of them clash, he determines, by a comparative estimate, which must be sacrificed. Such has most erroneously been considered to be the case in the present instance, and after long hesitation, that of America has been devoted. It is the correctness of this calculation to which I wish to call the attention of the public ; and I think I shall be able to show, not only that no sacrifice was called for, but that the victim has been most injudiciously selected.

But though this new system is evidently the result of commercial policy, yet, as its adoption, by dividing the interest, might be expected to divide the opinions of the public, unusual care has been taken to enlist the impartial in its defence, and even to conciliate or alarm many well-meaning sufferers into neutrality. The extra-commercial arguments principally urged for this purpose are, the advantages derived by the enemy from the American trade, the important injury we can inflict on him by its destruction, and the necessity of maintaining in its proudest purity the spirit of the country, and of resisting what are termed the insolent encroachments of America, which the power and number of our enemies have tempted her to impose upon us.

The great and extensive importance of these considerations must be sufficiently evident ; and as the public has been misled by the misrepresentations of those who have not carried their inquiries much beyond their own supposed interests ; I shall endeavour to promote opinions, which appear to me more correct, by taking a more comprehensive view of the subject. Should I not be wholly successful in this attempt, I am persuaded that I shall at least be so in correcting some very important mistakes as to facts, which at present prevail. With these intentions I propose to examine :

First, The state of our Political and Commercial relations with America—the nature of our commerce with the Colonies of our enemies, and our conduct towards it—the consequences to America of the new system introduced by our Orders in Council, and the conduct which on her part they are likely to produce.

Secondly, The effects to be expected from this system on ourselves, on the means and resources of our enemy, and on the general conduct of the war.

Though the important consequences of the Orders in Council of the 11th November must have procured them an attentive examination from those who occupy themselves with subjects of this description, yet, as they are so much enveloped in official jargon as to be hardly intelligible out of Doctors Commons, and not perfectly so there, it may be proper to give the reader a very short analysis of them, in which I shall confine myself to the points applicable to my subject, and follow entirely the explanations given by the Board of Trade to the American merchants, of the Orders themselves, and of the corresponding regulations intended to be proposed to Parliament. Various corrections and new explanatory orders are daily appearing, which may make some change, but the great features of the system are sufficiently apparent *.

ALL trade directly from America to every port and country of Europe at war with Great Britain, or from which the British flag is excluded, is totally prohibited. In this general prohibition, every part of Europe, with the exception at present of Sweden, is included, and no distinction whatever is made between the domestic produce of America, and that of the colonies re-exported from thence.

The trade from America to the colonies of all nations remains unaltered by the present Orders.—America may export the produce of her own country, but that of no other, directly to Sweden.

With the above exception, all articles; whether of domestic or colonial produce exported by America to Europe, must be landed in this country, from whence it is intended to permit their

* I beg to disclaim any intention to expound the literal text, it seems purposely intended that no person should profane it with his understanding without paying two guineas for an opinion, with the additional benefit of being able to obtain one directly opposed to it for two more. What the motive can be for such studied obscurity on this occasion, as well as on that of the proclamation respecting seamen, it is difficult to say, unless it be to surprise the Americans into a belief that they no longer speak English.

re-exportation under such regulations as may hereafter be determined.

By these regulations it is understood, that duties are to be imposed on all articles so re-exported; but it is intimated that an exception will be made in favour of such as are the produce of the United States, that of Cotton excepted.

Any vessel, the cargo whereof shall be accompanied with certificates of French Consuls abroad of its origin, shall, together with the cargo, be liable to seizure and condemnation.

Proper care is taken that the operation of the Orders shall not commence until time is afforded for their being known to the parties interested. They speak, of course, of Neutrals generally, but as they are applicable only to America, I have named that country, as I shall continue to do throughout these observations, that obscurity may be avoided.

Nothing shows more the fallacy of theory in all speculations on political economy, than that this country, remarkable beyond all others for sagacious authors on that subject, should be the founder of a colony exceeding in present, and still more in promised greatness, that formed by any country, ancient or modern, and should have remained so long in ignorance of the consequences to be expected, and of the means of deriving from it the greatest advantages. Statesmen appear to have been the dupes of names and systems. A colony was called by the same name, whether established in a West-India island or in North-America, and therefore the same system was applied to establishments widely differing from each other. The consequence of this ignorance was the separation of America by war. Like the French revolution, different authors, according to their fancy, impute these events to one or other trifling circumstance; but a short distance of time affords us a more comprehensive, and, consequently, a more correct view, and they are now generally ascribed to an irresistible progress of human events, which produces, and is not produced by, the ostensible trifles that first arrest our attention.

The apprehensions of ruin from this separation soon subsided in the discovery of our error. It was seen that natural causes had operated by force what we had neglected to do from foresight; that in giving up, though involuntarily, the narrow mind-

ed monopoly of the colonial system, we still retained that which resulted from our being, in every thing but Government, the same people. The invisible and more pleasing ties of similar habits, laws, and, above all, language, produced a monopoly not only without any compulsion, but in spite of the irritation and enmity which a recent and severe contest could not fail to leave behind. The only subject of regret with men of sense and liberality on both sides was, that this experience had been so dearly bought, and their only wish was to heal and forget the wounds it had occasioned.

The same effects may always be looked for from the same causes. The sympathy of congenial character is with great difficulty obliterated. Lower-Canada, though now nearly half a century in our hands, under a Government peculiarly mild, to which no objection but that of negligence can be made, if in such a country it can be called an objection, is as perfectly French as the day it was conquered. The French of Louisiana are in the same state. The alternate Governments of England, Spain, and America, still leave them Frenchmen, and the people of both those countries would afford the same proof of the inveteracy of early habits, if they were allowed a choice in the most important or most trivial concerns of life, in the Government they would live under, or in the coat they would wear*.

The advantages of this insensible monopoly were perfectly understood by France, and M. Talleyrand, in his "*Memoires sur les Relations commerciales des Etats Unis avec l'Angleterre*," has examined the subject with particular felicity and penetration, and suggests the policy of some similar establishment on the part of France, by which the benefits he justly supposes it to confer may be counterbalanced. In this country, however, it does not appear ever to have been properly appreciated: the events of a civil war left naturally deeper impressions

* It is a singular circumstance, and may serve to suppress the eagerness with which nations endeavour to impose their own laws, and the contempt they are apt to show for those of other countries which fall to them by conquest, that on establishing the American form of Government in Louisiana, the principal object of dislike was the trial by jury. Habit had made the Louisianian prefer the arbitrary and frequently corrupt decision of a single judge to those pure forms of trial which an English Colonist would have justly considered as invaluable.

on the unsuccessful than the successful party, and while every little state of Europe was courted, that afforded limited markets for our manufactures, we seemed to regret that we owed any thing to our former subjects; and an increasing commercial intercourse has been carried on under feelings of unsubdued enmity, of which the Government, instead of checking sentiments as void of common sense as of magnanimity, has rather set the fashion. To this error, in my opinion, the present state of the public mind towards America is in a great measure owing. Her success and prosperity, though we dare not fairly avow it, have displeased us, and sentiments have been imperceptibly encouraged towards her as ungenerous as they are impolitic. If this important subject had been considered dispassionately, we should have discovered not only that we had lost nothing except the barren honour of sovereignty, by America being under an independent Government, but that, upon the whole, her increased utility to us in that situation had, to a greater degree than could have been expected from any other, been the means of increasing our resources, in the arduous contest in which we are engaged. She ceases to contribute directly to our naval force: this is the only article in the opposite scale; but then she relieves a considerable portion of it from the necessity of protecting her. In every other respect she contributes in the highest degree possible all the benefits which one nation can derive from the existence of another, or that one mother country can receive from that of the best regulated colony.

If the choice could have been offered us of having the United States as a dependent or an independent colony during the present war, we could not, on any principles of sound policy, have hesitated to prefer the latter. If neutrals of some sort have hitherto always been considered as necessary to countries at war, and particularly to those whose resources are derived from commerce, how much must it be our interest to have in that character a people politically independent, but commercially as dependent on us as habits and interest can make them? Instead of fostering the naval power of the nations of the Baltic, which at every period of our distress is turned against us, this increase of trade, which we cannot dispense with, is transferred to a country whose policy is necessarily that of peace, and whose form of Government, and political institutions, render a steady adherence to that policy inseparable from their existence. Our distant and reserved pub-

lic connexion with America, has perhaps so far been of service, that it may have partially concealed from our enemies the intimate connexion of the industrious individuals of the two countries, which, if properly understood, might have induced efforts to encourage a return to the more beneficial channel of neutral trade, which the northern powers evidently afforded to the Continent. But it is unpardonable that we should ourselves remain ignorant of the advantages we have derived from the change, or that we should entertain any jealousy of the prosperity and wealth it has produced, which have not only served to circulate the produce of our industry where we could not carry it ourselves, but, by increasing the means of America, have augmented in the same proportion her consumption of that produce at a time when the loss of our former customers, by the persecution of our enemy, renders it most valuable.

The nature and extent of American commerce, with ourselves and with our enemies, will be explained when the operation of the orders in council are considered with reference to our immediate commercial interests. I shall first examine their consequences to America.

A most ingenious and fanciful plan has been formed, which indeed, to be completely successful, wants only the concurrence of one man, but that man is the Emperor of France, whose dissent has been totally lost sight of. The Americans are to bring to this country all the produce of their own, and all that of our enemies' colonies which they export to Europe. We are here to form a grand emporium of the costly produce of Asia and America, which is to be dispensed to the different countries of Europe under such regulations as we may think proper, and according, I suppose, to their good behaviour. Taxes are to be raised from the consumers on the continent, and they are to be contrived with that judicious skill, which is to secure our own West-India Planters a preference over those of Cuba and Martinique; a distinction which their zeal in promoting this grand discovery certainly deserved.

What light has all at once broken in upon us, and what ignorant statesmen we have been governed by for the last fifteen years! The secret is at last discovered of making France herself tributary to the fortunes of individuals, and to the revenues of the state. After complaining so long that she would not employ us as her factors and manufacturers, we are now, by contrasting the rich

emporium of luxuries on one side of the channel with the want and poverty of the other, to offer an exhibition too tempting to be resisted: we are to be supplicated in terms of distress to permit the people of the Continent to buy of us the rich produce of the East and of the West; and, as nothing short of extreme distress can produce such a miracle, have we not also at last found the means of forcing Bonaparte to a peace? It is difficult to conceive in what brain, endued with the smallest portion of common sense, so visionary a dream could have been engendered. Is there a man so perfectly out of his senses, so totally ignorant of the state of Europe, as to suppose its execution possible?

The whole merit of this wonderful discovery must evidently depend on the voluntary or forced concurrence of the enemy; and if the means from which this might be expected were satisfactorily explained, it would indeed be a prodigy of political wisdom. It is to be hoped that some information as to the practicability of our plan has been communicated to the Americans. If they really could be made to believe that the people of the Continent would buy their produce in our ports, it might go far in preventing that general hostility against us, which the more sober conclusions of that people, as to the consequences of our measure, must produce.—Those consequences cannot indeed be mistaken. The farmer as well as the merchant of America must know that they might as well throw the produce of their own country, and that of the West-Indies, for which their own has been exchanged, into the sea, as trust to any beneficial disposal of it in this country, beyond the amount of its immediate consumption, and a very limited vent by contraband to the Continent. If the people of that country should be deluded with the expectation, that we can really distribute on the Continent their immense mass of European and Colonial exports, and should send it to us for that purpose, it must infallibly rot in the ware-houses of the great emporium. If all the industry of our smugglers can get rid of one tenth part of it, they will be fortunate; as all the articles, and particularly those of our own produce, are very bulky. Taking as an instance the principal article produced in the middle states, we should receive about 80,000 hogsheads of tobacco, of which our own consumption would take 12,000—what is to become of the remainder?—Nor would America lose only her export to foreign Europe, for such would be the glut of every thing in the emporium, and such the consequent depression of prices, that even the

consumption of this country would in part be lost to her by the inadequate return, which would hardly defray the charges of bringing it to market.

The consequences of such a state of things must produce ruin to every class and description of persons in America; and they are indeed so obvious and so inevitable, that one cannot avoid thinking, that they must have occurred to the framers of this new system, and that the great advantages they expect to derive from other parts of it had reconciled them to the loss of those resources, which the extent and variety of our commerce with America afford.—We shall hereafter see how America pays us for the British manufactures she consumes; how that consumption increases gradually with her population and her wealth; that one of her principal means of payment is derived from that intercourse with the Continent, which we are so desirous to suppress; and it is useless to point out, that the ruin which must ensue from the proposed system must fall upon ourselves by a cessation of demand for the future, and inability to pay for the past, even though America should consent to our measures, and add her best efforts towards their execution.

The fatal effects of this system are so evident, that we are naturally induced to search every quarter for the motives or opinions by which it is justified and defended. Every publication and every newspaper I have seen, with one single exception*, have been impressing the public mind not so much with calculations of interest, as insinuations that the honour of the country was at stake.—America, it is said, taking advantage of our perilous situation, put forward the most haughty claims, which were only increased and encouraged by our concessions; that she seduced our seamen, and showed, by every act short of actual hostility towards us, the most decided preference for our enemy, submitting to every indignity from France, while towards us every trifle was disputed with the most captious insolence.

Though these vague insinuations, with which the public papers have abounded, seem more calculated to interest the feelings in favour of measures which have been previously the result of calculation, yet they are extremely important. In the present crisis, though the resources and strength of the country should be preserved and encouraged with the utmost care, the resource on

* The Morning Chronicle, in which some very able papers on this subject have appeared.

which we must principally rely, and of which we can for no consideration admit a sacrifice, is the independent spirit of the people ; without it, our wealth would rather hasten than avert our destruction. If our dangers were greater than they are ; if we were contending with an army already on our shores, the tone of government towards foreign countries should never change ; for, however extreme our peril may be, it is by firmness and courage only that we can have a chance of safety. If, therefore, the conduct of America has really been what it is represented, it would be the extreme of meanness and pusillanimity, as well as of folly, to be calculating the profit and loss of the duty towards ourselves which it would impose.

On this point the public appear to be so grossly deceived, that I shall endeavour, by a general review of our conduct towards America, to correct errors which uncontradicted misrepresentations have every where disseminated. This mode of examination will also introduce the gradual growth of the commerce of that country, and enable us, by determining our own opinion of the justice of the orders in council, to form a pretty correct one of the reception they are there likely to receive.

I am well aware of the general unpopularity of the side I am taking, and more particularly so in this part of the discussion ; but I am also persuaded that it is principally owing to the prejudices which it is my desire to remove. The dangers which surround us are of too serious a nature for any man to be deterred from giving a sincere opinion where he thinks it can be serviceable ; and I shall therefore feel perfectly insensible to the insinuations of those whose narrow-minded illiberality leads them to see sinister motives in all opinions opposed to their own, and which it is the characteristic of the most bigoted ignorance to set up as the only standard of truth.

National vanity is a prominent feature in the character of every country : the good opinion the great nation entertain of themselves is proverbial : the Americans gravely debated once in congress, whether they should style themselves the most enlightened people of the world !—and a distinguished member of the House of Commons * seriously declared in it, and was no doubt as seriously believed, that we were too honest to have any political connexions with the Continent.—There is something so

* Mr. Wilberforce.

amiable in the sentiment, that like the mutual partialities of parents and children. it is an unpleasant task to quarrel with it : but in the present instance, when great national objects are to be decided, it becomes our duty to divest ourselves of a partiality which may obstruct our judgment. If we are really desirous of avoiding the danger of involving ourselves in an unjust and impolitic war, we should not believe the vapouring assertions of our newspapers, and leave the Americans to be guided by theirs, which would confirm both countries in the opinion, that they have been equally models of justice and forbearance ; but, by a rigid examination, we should endeavour impartially to ascertain what have been the concessions which we have made, and what the insolent pretensions of America, which are to weigh so heavily against considerations of policy and interest.

This will be attempted in the following historical account of the neutral commerce of America, and of our conduct towards it, which will enable me also to explain many circumstances which are not understood, and to correct many no doubt unintentional errors, which the author of " War in Disguise " has led the public into from the circumstance probably of his relying too much on the records of the Court of Admiralty and on public newspapers for his commercial opinions. Though we shall not frequently differ as to facts, it will be seen how differently the same story may be told : and the public may be able to form a more correct opinion, when the merchant as well as the civilian shall be heard. Lest any remarks may induce a contrary inference, I beg leave to preface them with the declaration of my respect for the intentions and talents of the ingenious author, who is not otherwise known to me than by his works, and my sincere regret, that what appear to me more sound commercial views have not the advantage of being illustrated with equal ability.

Every maritime war in Europe has, since civilization gradually made the benefits of commerce appreciated, produced discussions about the rights of those nations which remained at peace. In some instances their commerce certainly suffered ; but where their rights were supported, the balance of advantages was greatly in their favour. The belligerents themselves found a mutual benefit in the exchange of their own produce, which could be only effected by neutral carriers. The intercourse

with their colonies was enlarged by all, but principally by the weaker party ; and though the varying opinions of the belligerents of the comparative advantages they derived from the intercourse produced occasional interruptions, neutrals still maintained their rights, partly from the power they were able to throw into one scale or the other, but principally by the general advantages which were recognized by all.—Though, however, power and advantage were the real foundation of this practice, the variety of interests, and the constant changes in them, produced the necessity of some unvarying tribunal: for this purpose the opinions of some wise men, for want of better means, were erected into a code of international law ; and though the contradictions and fanciful extravagance of some of these opinions still leave great room for arbitrary interpretation, something was gained towards permanency and justice, by the admission of these authorities.

America had scarcely recovered from her revolution, and begun to prosper under her new constitution, when the war which broke out in Europe placed her, through the prudence of her Government, in the enjoyment of the benefits of neutrality, and from being herself a colony, she was now to trade as an independent neutral state to the colonies of others.

In what state did she find the rights of neutrals when she assumed that character herself?

The armed neutrality, which had taken place at the close of the former war, had brought the subject under very general discussion, and had at least the advantage of deciding the opinions of moderate men upon it, by rejecting the extravagant pretensions to which preponderating power or disinterested vanity had occasionally given rise. The leading points of discussion were, whether the property of an enemy on board a neutral vessel should be condemned ; under what circumstances and regulations a port might be blockaded ; and what articles were contraband of war. But Great-Britain had once maintained a doctrine of an importance to neutrals far exceeding any other, and by which she could at once extinguish at her pleasure all the increased trade which a state of war gave them, without making any compensation for the inconveniences of such a state: this was what is called the rule of the war of 1756—which pro-

vided that a neutral had no right to carry on in time of war a trade prohibited to him in time of peace.

It cannot be denied that on principles of general reason, much may be said in favour of this limitation of neutral trade, especially when operating materially on the result of the war; but to make it a part of the law of nations, it is not sufficient that it should be asserted by one power; it must likewise be admitted by others, which is so far from having been the case, that in all our discussions about neutral rights, we have not only never obtained from any nation a recognition of this rule, but it does not even appear to have been at any time seriously insisted upon. The war during which this right was first brought forward, and during which it alone was enforced, was the most successful this country ever engaged in; but without derogating from the exalted character of the late Lord Chatham, much of that success was owing to the particularly weak state of the French court. At no period since the union of the feudal provinces to the crown of France, was that country in such a state of imbecility, and no moment could consequently be more favourable for establishing a precedent which we could hardly expect an opportunity of repeating. Russia and Sweden were leagued with France, and the former power had then interfered little in maritime affairs. Denmark and Holland were neutral, but their wishes and their interest were strongly on the side of the king of Prussia, then struggling for his existence, and with the rest of the neutral world, they were under apprehensions from the union of Austria and France, which created an indifference to the measures of defence against a league so formidable to the independence of Europe. Under such circumstances, this important rule, which, we are told, is always in force, though it has never since been acted upon, was established.

The practice and usage between independent nations, where no particular circumstances occur to produce an undue bias, is perhaps the best criterion of the law of nations; and in this respect, no treaty can be taken as a safer guide than that of the 17th June, 1801, with the present Emperor of Russia, at his accession to the throne. The state of our relations with that monarch at that time afforded an expectation which was not disappointed: that the conflicting interests of the belligerent and neutral would

be settled with mutual moderation and good sense. In that treaty, not only the rule of the war of 1756 is not recognized, but the right of the neutral to trade with the colonies of our enemies, and from his own country in the produce of those colonies to the mother country, is expressly stipulated.

What then can be the object of holding up this rule as the palladium of our maritime rights, or why has it so long lain dormant? Instead of America being accused of a disposition of encroachment hostile to our dignity, in refusing to admit into the law of Nations a principle which has neither been admitted by or enforced towards others; are we not rather ourselves wanting to our own dignity in proclaiming a law which we have never ventured to defend; in setting up a right which, by our treaties with foreign nations, we have ourselves encouraged them to trample on?

But it is said that though in our treaties, and particularly the one above-mentioned with Russia, made, as the preamble expresses it, "to settle an invariable determination of the principles of the two Governments, upon the rights of neutrality, . . ." neutrals have been permitted to trade in direct violation of the rule: yet that rule has never been formally renounced. This is certainly true, and we shall soon see why it is retained by us as part of the law of nations, and that it is by maintaining a nominal right of extreme rigour, while foreign nations were kept quiet by a practice under it, which we termed relaxations and concessions, that occasion has been given to those just complaints which we are called upon indignantly to resent.

It is admitted that this rule, for what reason it is not material to consider, was lost sight of in the war which ended in 1783, and which brings us to the period of American independence.—When the war with France in 1793 first broke out, the recent assistance which America had received from that country, and the early popularity of revolutionary opinions, made it very doubtful whether the feelings of the people would admit of their neutrality being preserved; but the confidence universally placed in General Washington enabled him to follow at this critical period the manifest interests of his country.

On our part, our conduct towards neutrals opened most inauspiciously, and the Orders of the 6th November, directed our cruisers, "to stop and detain for lawful adjudication, all vessels

"laden with goods the produce of any French colony, or carrying provisions or other supplies for the use of any such colony." This, in some respects, exceeded the rigour of the rule of 1756. There was no attempt to determine to what extent the neutral had a trade with the enemy's colonies before the war, but the whole was devoted to condemnation. This Order produced, of course, a ferment in America, where the Government, having determined on neutrality, was equally so to support the rights of that character. Before, however, the reception of the Order there could be well understood here, we reversed at once, by a second proclamation in January, 1794, the rigorous decree of two months before, by ordering our cruisers to seize only "such vessels as were laden with goods the produce of the French West-India Islands, and coming directly from any ports of the said Islands to Europe:" and this indulgence, as it is called, was further extended in January, 1798, by an Order permitting neutrals to carry the produce of enemies' colonies, not only to their respective countries, but to Great-Britain, which remained in force until the peace of Amiens.

It is not easy to account for the precipitate conduct towards neutrals in the first Order, and its subsequent revocation. America could not have been heard on the subject, though her sentiments might well have been, and probably were anticipated. The increased relaxation in 1798 was certainly voluntary, and though the ground of the whole of these proceedings is unintelligible, it is evident that they could not have originated in the pretensions or encroachments of America.

In November, 1794, an attempt was made by treaty to introduce a modification of the rule in question, by stipulating, in the 12th article, that America should not export to Europe articles the produce of the West-Indies, by which her trade with all the European colonies would have been confined to the extent of her own consumption. This article was rejected on the other side, and that rejection assented to by the ratification of Great-Britain.

By the same treaty, Commissioners were appointed to determine the claims of Americans, "for illegal captures or condemnations of their vessels and other property, under colour of authority, or commissions from his Majesty." They sat in London, and awarded very large sums to the claimants for losses sustained

principally, if not wholly, from the execution of the instruction of the 6th November, 1793: nor can it be pretended that the decision of these commissioners is to be attributed to the majority of Americans composing it, for it was well understood what were the *illegal captures*, as the treaty called them, upon which they were to decide.

During the remainder of the war which ended in the peace of Amiens, America abstaining from taking any part in the extravagant pretensions of the northern powers, which she well knew originated in considerations totally foreign from any desire of arranging equitably the relative rights of belligerents and neutrals, continued to carry on her commerce, without any further discussion with us about principles; but in consequence of some complaints of the conduct of our vice Admiralty Court, these principles received a memorable confirmation by the correspondence between Lord Hawkesbury and Mr. King, in 1801, which explains them with a precision and clearness that has created no little embarrassment to those who have attempted to justify our subsequent conduct *.

* *Great Cumberland Place, March 13, 1801.*

MY LORD,

The decree of the vice admiralty court of Nassau, a copy of which is annexed, condemning the cargo of an American vessel going from the United States to a port in the Spanish colonies, upon the ground that the articles of innocent merchandize composing the same, though *bona fide* neutral property, were of the growth of Spain, having been sanctioned, and the principles extended, by the prize courts of the British Islands, and particularly by the court of Jamaica, has been deemed sufficient authority to the commanders of the ships of war and privateers cruising in those seas, to fall upon and capture all American vessels bound to an enemy's colony, and having on board any article of the growth or manufacture of a nation at war with Great-Britain.

These captures, which are vindicated by what is termed the belligerent's right to distress his enemy by interrupting the supplies which his habits or convenience may require, have produced the strongest and most serious complaints among the American merchants, who have seen, with indignation, a reason assigned for the capture and confiscation of their property, which is totally disregarded in the open trade carried on between the British and Spanish colonies, by British and Spanish subjects, in the very articles, the supply of which, by neutral merchants, is unjustly interrupted.

We here see that this memorable rule of 1756, the foundation of those maritime rights without which we are told our power

The law of nations, acknowledged in the treaty of amity, commerce, and navigation, between the United States and Great-Britain, allows the goods of an enemy to be lawful prize, and pronounces those of a friend to be free.

While the United States take no measures to abridge the rights of Great-Britain, as a belligerent, they are bound to resist, with firmness, every attempt to extend them, at the expense of the equally incontestable rights of nations, which find their interest and duty in living in peace with the rest of the world.

So long as the ancient law of nations is observed, which protects the innocent merchandize of neutrals, while it abandons to the belligerent the goods of his enemy, a plain rule exists and may be appealed to, to decide the rights of peace and war: the belligerent has no better authority to curtail the rights of the neutral, than the neutral has to do the like in regard to the rights of the belligerent; and it is only by an adherence to the ancient code, and the rejection of modern glosses, that fixed and precise rules can be found, defining the rights, and regulating the duties of independent states.

This subject is of such importance, and the essential interests of the United States, whose policy is that of peace, are so deeply affected by the doctrines which, during the present war, have been set up, in order to enlarge the rights of belligerents, at the expense of those of neutrals, that I shall, without loss of time, submit to your lordship's consideration such farther reflections respecting the same, as its great importance appears to demand.

In the mean time, as the decisions referred to cannot, from the unavoidable delay, which attends the prosecution of appeals, be speedily reversed, and as the effect of those decrees will continue to be the unjust and ruinous interruption of the American commerce in the West-India seas, it is my duty to require that precise instructions shall, without delay, be dispatched to the proper officers in the West-Indies and Nova Scotia, to correct the abuses which have arisen out of these illegal decrees, and put an end to the depredations which are wasting the lawful commerce of a peaceable and friendly nation.

With great consideration and respect, I have the honour to be,

Your lordship's most obedient and most humble servant,

RUFUS KING.

Lord Hawkesbury, &c. &c.

Downing-street, April 11, 1801.

SIR,

I have the honour to acknowledge the receipt of your letter of 13th of last month, and to inform you that, in consequence of the representa-

cannot exist, though it was exercised only for a very short period, was, during the last war,—First, voluntarily abandoned;—Second-

tion contained in it, a letter has been written, by his majesty's command, by his grace the duke of Portland, to the lords commissioners of the admiralty; a copy of which letter I herewith enclose to you, for the information of the government of the United States.

I have the honour to be, with great truth, Sir, your most obedient humble servant,

(Signed)

HAWKESBURY.

Rufus King, Esq. &c. &c.

Whitehall, 30th March, 1801.

MY LORDS,

I transmit to your lordships herewith a copy of the decree of the vice-admiralty court of Nassau, condemning the cargo of an American vessel, going from the United States to a port in the Spanish colonies; and the said decree having been referred to the consideration of the king's advocate-general, your Lordships will perceive from his report, an extract from which I enclose, that it is his opinion, that the sentence of the vice-admiralty court is erroneous, and founded in a misapprehension or misapplication of the principles laid down in the decision of the high court of admiralty referred to, without attending to the limitations therein contained.

In order, therefore, to put a stop to the inconveniences arising from these erroneous sentences of the vice-admiralty courts, I have the honour to signify to your lordships the king's pleasure, that a communication of the doctrine laid down in the said report should be immediately made by your lordships to the several judges presiding in them, setting forth what is held to be the law upon the subject by the superior tribunals, for their future guidance and direction. I am, &c.

PORTLAND.

The Lords Commissioners of Admiralty.

Extract of the Advocate-General's Report, dated March 16, 1801.

I have the honour to report, that the sentence of the vice-admiralty court appears to me erroneous, and to be founded in a misapprehension or misapplication of the principles laid down in the decision of the court of admiralty referred to, without attending to the limitations therein contained.

The general principle respecting the colonial trade has, in the course of the present war, been to a certain degree relaxed in consideration of the present state of commerce. It is now distinctly understood, and it has been repeatedly so decided by the high court of appeal, that the

ly, compensation was afterwards made for the consequences of its temporary execution by an act which stigmatizes that execution as illegal ;—Thirdly, a formal treaty with a friendly power established principles directly opposed to it ; and Finally, that those principles were most explicitly applied to America. But still no distinct disavowal had been made of this rule forming part of the law of nations ; a circumstance on which much stress is laid here, and very little in other countries. Foreign nations look naturally to the practice and to our public acts. In neither could any trace be found of these dangerous pretensions ; and it became immaterial for them to ascertain how we reconciled our conduct to our construction of the law of nations : while we, on the contrary, appear to have cared little about our practice or our admissions, as long as we retained what must appear a childish advantage, of not disavowing a principle which we had not ventured to execute.

In this manner the last war ended without any serious cause for disagreement with America. Before we proceed to the renewal of hostilities, it will facilitate our inquiry to explain what course the commerce of that country had taken under our former conduct.

produce of the colonies of the enemy, may be imported by a neutral into his own country, and may be re-exported from thence even to the mother-country of such colony : and, in like manner, the produce and manufactures of the mother-country may, in this circuitous mode, legally find their way to the colonies. The direct trade, however, between the mother-country and its colonies, has not, I apprehend, been recognized as legal, either by his majesty's government, or by his tribunals.

What is a direct trade, or what amounts to an intermediate importation into the neutral country, may sometimes be a question of some difficulty. A general definition of either, applicable to all cases, cannot well be laid down. The question must depend upon the particular circumstances of each case. Perhaps the mere touching in the neutral country to take fresh clearances, may properly be considered as a fraudulent evasion, and is, in effect, the direct trade ; but the high court of admiralty has expressly decided, (and I see no reason to expect that the court of appeal will vary the rules,) that landing the goods and paying the duties in the neutral country breaks the continuity of the voyage, and is such an importation as legalizes the trade, although the goods be reshipped in the same vessel, and on account of the same neutral proprietors, and be forwarded for sale to the mother-country or the colony.

This part of the subject has more than any other been a source of misrepresentations which it is necessary to explain. The author of "War in Disguise" takes particular pains through his whole work to circulate and establish an opinion, that the great mass of neutral trade is not *bona fide* for neutral account, but that it in reality covers the property of French, Spanish, and Dutch merchants, neutralised by the fraud and perjury of the Americans. In confirmation of this serious assertion, he has, contrary to his general practice, been particularly sparing of his authorities, though he could have had no difficulty in finding them. There is no doubt to be found in the records of our Prize Courts, every possible case of neutral fraud, as in those of the Old Bailey instances of every species of crime; but it would be as unjust to determine the general character of the commerce of a country by a few particular instances of the former, as to decide on the national character of a people by those of the latter. A correct opinion on this point can only be obtained from practical knowledge, and upon presumptive grounds, arising from a consideration of the means, views, and interests of the parties. Now I maintain, without fear of contradiction from any person acquainted with the commerce of America, that this character as it respects that country is totally unfounded; and that though the trade with our enemies colonies is carried on in a greater proportion by neutrals than at any former period, there is every reason to believe that there never was in the course of any war so little property covered under the fraudulent mask of neutrality as at present: That the interests of the parties in these transactions do not, as the author already mentioned supposes, "strongly incline them to the fraudulent course." That strange as it may appear to him, America has found, and that very suddenly, "a commercial capital, and genuine commercial credit, adequate to the vast magnitude of their present investments. That France, Spain, Holland, Genoa, and the late Austrian Netherlands, and all the Colonies and transmarine dominions of those powers, do not at this hour possess merchant ships or merchants engaged on their own account in exterior commerce, and that no subject of those unfortunate realms has an interest in such a commerce beyond his commission." In quoting the forcible passages with which this erroneous opinion has been enforced, I do not of course mean to maintain the positive conformity of eva-

ry particular case to my position ; all we have to do with is the general character of the trade in question.

The character of that trade was certainly such as it is represented by this author at the beginning of the war in 1793, and it has been that of the neutral trade of the northern powers in the present as well as all former wars ; but the trade of America, though beginning partially on the same plan, has from natural causes, taken a different course ; and though this assertion were not, as it is, susceptible of the clearest demonstration, yet I would confidently appeal for the truth of it to the information which Government must receive from our commercial agents in America ; and I would even venture an appeal to our Prize Courts, whether, in the numerous cases which have been brought before them, the general complexion of American commerce does not confirm this representation ; whether the instances of the detection of any foreign interest in the cargoes detained are not very rare ; but, on the contrary, whether general circumstances, since the commencement of the present war, do not afford strong presumption of the *bona fides* of this trade.

Nor can this appearance be attributed to the increased skill of neutralizers : it is well known that the Americans have never equalled the European neutrals in this respect. Their distance from those who must be supposed to be their principals is too great, and they labour under the additional disadvantage of their whole correspondence by passing the ocean being necessarily subject to our inspection ; which, though some cases might pass undetected, makes it impossible to carry on with successful fraud the great mass of the commerce of a country. The near neighbourhood of the Dutch, Danes, Hamburgers, &c. and their easy communication, similar habits and language of their seamen, for they may be said to take them from a common stock, enabled them in war to pass their shipping to one or the other according as their interest served—a single house at Brussels *, neutralized in the American war upwards of seven hundred Dutch vessels ; and this appears to have been imitated in our time by a shoemaker of East Friesland, whose name has been equally immortalized by the notice universally taken of him by the zealous enemies of neutral frauds.

* Paron Romberg.

But our Government must have been very ignorant indeed, if these frauds were really unknown to them, or if they were first informed of them by the authors, who appear to have astonished the public with their denunciation; and they must have been very weak if they were connived at otherwise than from a conviction that we had an interest in their existence. A little reflection would have pointed out the nature of this interest, and one excursion down the river, where, until lately, hundreds of Dutch vessels under these ensigns of neutrality might have been seen, would have given these sagacious discoverers some idea of its extent.

They would have found out, that our trade with the hostile ports of the continent of Europe was, nor could not be otherwise carried on; that the exportation of our surplus of West-India produce, of which we hear so much; that our own manufactures, a subject though less talked of at least as interesting; and that in fact our whole commerce with the country of the enemy, of which we feel so sensibly the deprivation, had no other means of conveyance.

That we cannot precisely take the advantage of such connivance without some corresponding disadvantage, there is no doubt: the fraudulent neutral, suffered for our benefit, will frequently carry the property of our enemy; but it has always hitherto been considered that, as our strength and resources depended so much more than those of our enemies on a free circulation of commerce, our advantages must greatly preponderate. To hear the good policy of this connivance questioned, would certainly have surprised me, but still more must it surprise a practical merchant to find it pointed out to the public as a novel discovery.

Though this part of the subject has little connexion with the neutral trade of America, I am induced to take notice of it on account of the singular ignorance which prevails respecting it, and it may perhaps incline those, who may persist in considering this instance of self-deceit a grievance, to give a preference to American neutrality, by suggesting that Geographical difficulties, and still more those arising from dissimilar habits, must ever prevent that exchange of shipping which they deplore. A Dutchman will make a tolerable Dane, but he can never be mistaken for an American.

The only instance of America being accused of this practice, is in the evidence reported to the House of Commons by the West-India Committee*, which, properly examined into, would certainly not have justified the inferences drawn from it. There can be no doubt from the respectability of the evidence, that the fact he states came within his knowledge; but from the general complexion of the report there is every reason to suppose this very important subject would have been more minutely examined, if any result favourable to the evident tendency of its arguments could have been expected. It would have been highly interesting to know how many instances had been discovered, as by pointing them out to our Government, redress might have been obtained by application to that of America, whose strict attention to the character of her flag has always been remarkable. The vessel so obtained by an American citizen could never have an American register, would always pay the duties of a foreign ship; and, even to have the right of navigating under the flag, the owner must have been guilty of direct perjury, by swearing that no person but himself had directly or indirectly an interest in her; and the evil could have been cured by our seizing and condemning such vessels wherever they might be found, which could never have been complained of by America. The inference drawn by the witness in this case, that the distressed state

* *Extract from the Evidence of Mr. Wilson before the West-India Committee.*

Q. "To what causes principally do you attribute the present distressed state of the West-India colonies?—A. I conceive the causes of that to be, first, the too high duty which is laid upon the article; next, the relaxation of the system towards neutrals, enabling them to carry away indiscriminately produce from the enemies colonies; thirdly, the policy of the French in allowing French ships, bought by neutrals, to enter their ports as if still carrying the original flag, making a difference in the duties paid in France upon foreign ships, 27 francs fifty cents, or 23 shillings; by French ships 23 francs fifty cents, or 19 shillings per 102 French pounds of sugar, equal to about one hundred weight, that measure producing the additional advantage of keeping their own ships in employ during war time, as by bond the purchasers of those ships are engaged to reinstate them in French ports within a twelvemonth after peace."

Though *neutrals* only are mentioned, this charge was well understood to apply principally to Americans.

of our West-India colonies was, among other causes, principally to be attributed to vessels so situated, being permitted to import sugar into France, at a duty of 4s. per cwt. less than was paid by others, should, instead of inducing the Committee to repeat it, have led them rather to receive with caution his deductions from facts.

There are, no doubt, instances in trade of operations evidently ruinous to those who undertake them, but such casual errors soon correct themselves, and the truth is more easily discovered by examining what the interest of the parties must be, than by taking up an isolated fact by which to establish it. In this instance, from the slight evidence I have mentioned, a conclusion is drawn, that *nearly the whole* French mercantile marine is transferred to neutrals, to be held by them during war, and to be returned at a peace. Is such an operation on the part of an American to be reconciled to any calculations of interest?

The French proprietor must trust a very perishable property at a distance, when he could to greater advantage have sold it outright; and the French Government, which is supposed to have authorized the sale, would better answer its purpose of having a mercantile marine on the return of peace, by permitting then the purchase of neutral vessels. The American purchaser has, as his only advantage, the right of importing sugars at a reduction of four shillings the hundred on the duty, but he must, in the first place, I suppose, be paid for his perjury; he must then, during the war, trust very valuable property in a vessel navigated under a sea-letter, and without a register; and it is known that a considerable difference is always made in the price of insurance. I believe these disadvantages would be a full balance for the low duty, but he certainly would be left a considerable loser, when it is considered that in America he would be liable both for his cargo and his tonnage to foreign duties; that the principal article exported from France to America is brandy, the duty on which is about 50 per cent. on the first cost, to which 10 per cent. would in this case be added. These circumstances must satisfy any person acquainted with the commerce of America, that the transactions complained of can have no extent, if it were not farther confirmed by the fact that France had, at the breaking out of the present war, very little shipping to transfer. I have been induced to take more notice of this business than its importance

may appear to deserve, from the exaggerated consequences attributed to it by others; from the attempt to make a plausible impression on those who were not able properly to appreciate it, and from its appearing to have been the cause of the Order in Council, directing the capture of all vessels transferred by the enemy to neutrals—a measure to which there is no other objection, than that it is certainly a violation of neutral rights, founded on a most erroneous opinion.

It is certainly a circumstance much in favour of the neutrality of America, when compared with that of the Danes and Germans, that it does not screen from our hostility the vessels and seamen of our enemies. If our trade to Holland and Hamburgh had been carried on by Americans instead of pretended Danes, Papenburghers, &c. we should not now have opposed to us so great a number of able seamen, and the Dutch and Danes would not be able to add to the power of the enemy those sea habits and naval skill which it would be of much more importance to us to have destroyed than ships and naval stores, which a short time will replace*.

While the Northern nations continued neutral, the consequence of their competition with the Americans was found by experience to be, that the former engrossed much the largest portion of the European carrying trade, as also of what has been called the neutralizing trade, where the only benefit of the neutral was his freight, and that additional compensation for a false oath, which we are told, and no doubt if to be had at all, is a cheap article on the continent. They could navigate their ships much cheaper than the Americans, and by their situation and means of communication by post, they could establish and vary their train of frauds in a manner that the distance of the others, and the examination of their correspondence by our cruisers, rendered impossible.

* In estimating the advantages of the Danish expedition, the importance of ships and stores as an ingredient of naval power, appears to me over-rated. It is in seamen only we find the enemy cannot equal us. If our ships were all destroyed in a day, our naval power might soon be restored, if we had, as Denmark certainly has, the means of procuring others, and of maintaining in the mean time our independence. But it is now discovered that we have lost by capture, and the Danes have consequently gained as large a quantity of stores as we brought away.

But, on the other hand, the situation of America, the value of the produce of her own soil, the want of that produce in the West-Indies, and the early assistance of the capitals of this country, not only gave her a decided advantage out of the European seas, but have enabled her to convert what was before, a trade of belligerents under a neutral mask into *bona fide* adventures of neutrals for their own account.

Several circumstances concurred to promote this change. The Dane and the Swede, in sending their vessels to the West-Indies, could contribute towards the adventure nothing but the ship; their countries furnished little or nothing of what was wanted there, and the superior capital and commercial advantages of their neighbours the Dutch, kept the northern shipping employed for them, and for France and Spain, whose neutral trade during war was generally managed through Holland: on their return as well as on their outward voyage, they must necessarily pass along the coasts of their employers, which gave every facility to this mode of proceeding, from which little more than a good freight remained with the neutral.—But America, in entering into this commerce, was differently situated. Her distance from Europe prevented her merchants from being set at work to any extent for European account; while the great value of her own produce, which was of first necessity in the islands, brought her forward very early as a principal. The assistance of British capital was also of great service at that period, though her own has since so much increased, that like the effect of European emigrations on her population, what was once a principal agent is now scarcely felt. The influence I have mentioned of similar language, habits, and origin, were here strongly shown: the Dutch, with a commercial interest of three per cent. trusted none of their money in the advantageous speculations of these new merchants; no manufactures, even of that or any country on the Continent, were or are now sold to them on credit; while our merchants and manufacturers entered with avidity into this new and profitable field.

The value of the domestic produce of America, and that of the manufactures of this country obtained on a long credit, soon formed, therefore, a capital for carrying on this trade for account of the neutral, while his own increased with its importance. In the early period of the war, the old mode of proceeding, which the French and Spaniards were accustomed to with the North-

ern neutrals, was followed: former habits and opinions prevailed, and the means of America were then unequal to large operations; but experience, and that tendency which commerce, when left alone, always has to find its proper channel, gradually turned the whole over to American account. The Spaniards were; as they always are, the last to adopt this change. Agents were sent out to carry on operations under the old system, which the competition of Americans on their own account always rendered ruinous, and even at present the little covered trade still existing is probably mostly Spanish.

I must again repeat, that it is not intended to maintain that instances may not be produced in opposition to this general character of the trade of America with the enemy's colonies: property of all nations is no doubt floating at this moment under the neutral flag; but I am well convinced, strange as it may seem, that if the fact could be ascertained, more British than enemy's property would be found in that situation. The interest of the parties is the only thing to be considered for the purpose of forming a correct opinion, and facts opposed to it should be considered as casualties, and received for that purpose with great caution.

It would be absurd to talk of the superior morality of one description of people over another. If the fraudulent trade were more profitable in America, it would prevail, though I must say, and I speak from considerable experience, that the character of the great body of merchants of that country little deserves the unjust insinuations in which writers on this subject have so illiberally indulged.

Now let us consider how the interest of the parties concerned favours my statement. A planter at Martinique, or at Cuba, wants to sell his produce at the highest, and to furnish himself with European manufactures, and American provisions, lumber, &c. at the lowest prices possible; supposing, which is admitted, that he is under no restrictions, how will he proceed? If this is to be done for his own account under a neutral mask, which, if he had the poor Dane to deal with, would be his only remedy, he must ship his sugar on board the vessel to the consignment of a person in America, to whom by false papers it must appear to belong. The consignee there must again reship it to some port on the Continent; and the sugar being there sold, the ma-

manufactures of France and Spain would be returned in the same manner; the provisions from America would be purchased for him in that country, and sent under the same cover for his own account. The planter must here trust his property in the first instance to strangers whom he knows little about—for the intercourse between America with the West-Indies is principally in the hands of the small traders from every creek and inlet of the country, and carried on in small sloops and schooners; he must, secondly, in making his insurance, pay a higher premium for not being able to warrant the property to be neutral; thirdly, he must pay commissions in America and France, and a high neutralizing freight; and lastly, he must give positive orders many months beforehand for his supplies, of the receipt of which he must always be uncertain.

It is difficult to imagine a more unsatisfactory mode of proceeding, or that the planter should not soon find out, that the American trader can afford to give him more for his produce at his own door, taking it away under his real neutral character, and selling it where he pleases, and that in the same manner he can buy his European and American supplies in the quantity and of a quality he may select, in a market always kept moderate by the most active competition. No precise proportion between the relative advantages of these two proceedings could with any certainty be fixed, but that of the latter would probably not be overvalued at 25 per cent.

It should also be observed, that a very small proportion of the French and Spanish colonists reside in Europe; allowing, therefore, for expenses of cultivation, the money to be remitted home is of trifling amount. At no time was the number of European residents equal to those of our Colonies; and the French revolution produced a separation between them and the mother country, which the short interval of peace did not remove. The revenue derived from the Colonies by persons resident in France must be very trifling; and that formerly was chiefly from St. Domingo. The cultivators of Cuba are almost all residents in that island. The colonist is consequently left more at liberty to follow his own interest, though it would almost to the same degree be that of the European resident possessing colonial property to sell in the island, and receive his revenue by bills of exchange. The very unfrequent appearance of bills of this de-

scription in circulation, is an additional proof how few West-India proprietors reside in France or Spain.

That the general interest of all parties naturally tends to produce the state of the trade above-mentioned, cannot be disputed; but it must be still more evident to our West-India merchants, when they consider the nature of their own connexion with America. They have every advantage over the foreigner in combining operations with that country; and British property, covered or uncovered, crosses the sea at less risk than that of our enemies. But is it not well known that it is much more for the benefit of our planters to buy of Americans in the islands as their wants occur, than to send for large orders for perishable commodities on their own account? That this is occasionally done, is not denied; but of the 1,400,000*l.* which those supplies amount to yearly, it is certainly not taking too much to say, that at least nineteen-twentieths are sent for American account. Surely then if the British planter finds his interest in this mode of proceeding, its advantages must be infinitely greater to all foreign colonists.

But it is asked by *War in Disguise* * "by what means could the new merchants of the United States be able to purchase all the costly exports of the Havannah, and the other Spanish ports in the West-Indies, which now cross the Atlantic in their names?" The origin of American capital for this trade from their own produce and from British credit, has been already explained; if the ingenious author had condescended to make inquiry into the actual state of capital and commerce in America, he would not have been led into his very erroneous opinions of their extent.

The West-India trade requires in America less capital than any other, and an adventure to the islands can be undertaken almost without any actual disbursement beyond the value of the ship; the provisions, lumber, &c. can be purchased on a short credit; the British manufactures, (and it is for that reason that they principally are British,) on a very long one, and the adventurer may frequently see his cargo of sugar or coffee return before he is called upon to pay for his outward investment. It is for this reason that this branch of trade is generally carried on

by the more needy class of merchants, and that the opulent houses confine themselves more to that with India and China, and with Russia, which can only be managed with extensive capitals. But so far from there being any insufficiency of capital for the West-India trade, a dozen commercial establishments might perhaps be named, equal in that respect to its exclusive management.

The second voyage of West-India produce requires little more capital than the first. The importer either sells for home consumption, for exportation, or exports himself, according to his opinion of the relative state of the markets; those whose means or credit are low, generally sell—the richer make their option; if they ship, they of course select the most favourable market; but whether it is in England, Holland, France, or Italy, the amount, after paying sometimes for a small return cargo, is placed at the disposal of their correspondent in London, who acts as banker, withdraws, by means of the foreign exchanges, the property from abroad, and accepts the drafts of his American correspondent, which are remitted to pay the original debt to the British manufacturer. In this part of the transaction, credit is again more wanted than capital; the London merchant, if he has a good opinion of the solidity of his correspondent, permits him to draw two-thirds or three-fourths of the value in anticipation; but that no disappointment may ensue to him from the loss of the vessel at sea, he generally insists on making the insurance in London, that he may in every event be secured.

This mode of proceeding varies according to occasional circumstances. Since our Court of Admiralty has set its face against reshipments of West-India produce by the original importer, as being a continuance of the same voyage, the business of the trader to the Islands, and to Europe, has been in a greater degree separated, and the re-exportation by the original importer seldom takes place. The Americans have also, for reasons which I shall presently notice, a dislike to making their insurances in London, and they relieve themselves from this necessity, which is intended only for the security of their correspondent there, according as their means enable them to dispense with anticipated advances.

Thus we see the whole round of the American West-India trade, and that the extent of capital employed in it is subject to

contraction or expansion, according to the means of the country; that it may be conducted with very little, and that of course it is more profitably conducted with more; we also see in what manner part of the very large amount of British manufactures is disposed of by re-exportation from America, and how we are paid for such part as exceeds our own consumption of American produce, by the exports of that and of West-India produce to the Continent of Europe.

The proportion of capital to the demand for it has, as might be expected, been gradually improving in America, during the last war. Though the legal interest is only 6 per cent. the market rate was from 12 to 20; at present it is at little more than the legal rate. Great assistance was derived from the establishment of public banks and insurance companies. It may give the reader some idea of the commercial means of that country to know, that in the year 1805, there were estimated to be 72 public banks with capitals of about 40 millions of dollars, and 43 insurance companies with about 12 millions capital; and, what may appear singular in a country of so much hazardous speculation, there is no instance of any establishment of either description stopping payment, although the banks are bound to pay in specie and on demand.

But if any doubt should still remain of the assertion which I am endeavouring to prove, that the trade of America with the colonies of our enemies is *bona fide* for their own account; if the interest of the parties, with the general notoriety of the fact, should not satisfy those who suppose that a neutral must always find his interest in fraud, it is fortunately susceptible of strong corroboration, if not of positive proof, from official documents. From a report of the Secretary of the Treasury of America to Congress, in February 1806, it appears, that the annual amount of exports to the West-Indies generally, calculated on an average of the three years, 1802, 1803, 1804, was,

In domestic produce of America,	Dollars.
viz. provisions, lumber, &c.	15,700,000
In produce or manufactures of other countries, . . .	6,550,000
<hr/>	
Together 22,250,000	

and that the imports into America from the same quarter, amounted to about 20,000,000 Dollars.

It may be seen what proportion of the West-India produce is paid for in American produce, and what in European manufactures. The excess of the exports beyond the imports is paid for principally in specie, which is again used for the current circulation of America, and for our trade beyond the Cape of Good Hope.

These facts will certainly justify me in assuming that the general character of the trade of America with the colonies of our enemy, is that of a *bond fide* neutral on his own account. The author of "War in Disguise" tells us, it is true, that this would not alter the weight of his argument; but such pains are taken throughout to stigmatize these pretended frauds, as "unprecedented in extent and grossness *," and to make us believe, with him, that the freight in every American bill of lading includes a neutralizing commission †, the want of which his imagination supplies, that he must probably think our right of interfering, if not the policy of so doing, more or less at stake in that question. To what degree we are interested in this trade, carried on as I have represented it to be, will hereafter be considered; but if the expediency of putting an end to it were made clear, I should feel equal reluctance to permit a mere formality to shield the property of our enemies. If I believed it to be protected by the mass of perjury, fraud, and collusion, which has been so eloquently, but so unjustly ascribed to this intercourse; common sense and common honesty would certainly revolt at its finding protection, under the letter of the law of nations, in direct opposition to its spirit.

In this point of view, a proper explanation of the general character of American commerce becomes important, and the more so as all writers have argued on the supposition that the opposite character imputed to it in "War in Disguise" had been proved; and prejudices have thence originated both against our suffering a continuance of these pretended delusions, and against the Americans for defending them, at a period when it becomes more than ever necessary to both countries, that their relative situations should be clearly understood, and all illusions arising from false statements of facts be removed.

It would be easy to point out other errors of the same author,

* Page 95.

† Page 79.

which his want of practical commercial knowledge, and a disposition to study it in Doctors' Commons have given rise to: every document of a neutral vessel has been an object of suspicion; and many circumstances, which to the merchant must appear perfectly regular and fair, are enlisted as proofs of fraud and disguise. But having, as I trust, made out my case undeniably, I shall pursue this part of the subject no further than to make some remarks on a digression of this author about insurances, which has tended to mislead the public, and perhaps to alarm some timid men into a most unfounded opinion of self-condemnation *, which will also vanish on a plain statement of facts.

The Americans make their insurances in their own country whenever the nature of the operation will admit of it: this is indeed the case with merchants every where, and for an obvious reason, that they understand the laws of their own better than those of foreign countries, and consequently know when the risk is safely covered. A merchant in Philadelphia or Amsterdam, cannot be supposed to study Mr. Park's excellent compilation on our insurance laws, but those of his own country he knows from practice. The means of insurance in America are abundant, as has been explained; the security quite as good as that of Lloyd's Coffee-house, and so far from following us in fixing their premium a little higher than ours, they are generally more moderate †. But it has been explained, that when the American makes his shipment to Europe, and draws in anticipation on his London

* Page 89.

† Page 87. Merchants very seldom insure out of their own country, if they can avoid it. Amsterdam was indeed formerly a great market for insurances for the Continent, in consequence of the great solidity of the underwriters, and the unvarying certainty of the laws. Insurance cases were never the subject of lawsuits, and foreigners have a dislike to the uncertainty which attends a trial by jury. Our stamp duty of one quarter per cent, on the sum insured will, in time of peace, also keep off foreign orders. In every respect it would be desirable to convert this duty into a percentage on the premium, as by the present mode it falls very unequally. On a premium of 10 per cent. the addition of a quarter per cent. makes only two and a half per cent. but on a premium of two, it amounts to twelve and a half per cent. and on the insurance on bullion, which between Holland and this country used to be done at one-eighth per cent. it would make an addition of two hundred per cent.

correspondent, the latter, to have his security made perfect, must effect the insurance, and it is accordingly on these voyages, almost exclusively, that it is made in London ; and even to this the American has naturally so great a reluctance, that he generally covers only the amount of his drafts here, and the remainder in his own country. There must be in this, as in all cases, exceptions ; but, without much inquiry on the subject, I am convinced that there are few instances of American insurances effected in this country, on voyages either to the East or West-Indies, because such adventures cannot be made the foundation of any security to a London house.

The American in ordering his insurance, and the London merchant in advancing his money, for a very small commission, must be secured against all risks ; but how is this to be done ? In his own country the American would of course be protected against the consequences of British capture and detention, and he further stipulates there, that if his property be condemned in any foreign Court of Admiralty, as not being neutral, he shall be allowed to make proof of that fact in his own country. But in insuring in London, he is differently situated : according to our laws, if any Admiralty Courts in the West-Indies, on the American coast, or at home, determine that the property is not neutral, that the voyage is illegal, or if actual war should intervene, he cannot recover his insurance. It has also here been determined that the decision of our enemy's prize-courts, and even of some of the most ignorant judges in the Islands, in the most revolutionary times, as to points of facts, are conclusive. Now the American merchant, with the best intentions of trading legally, cannot always know what this country permits ; for we admit that, upholding a general principle which we never enforce, we may and do vary our permission to neutrals under it as we please. Supposing him even in this respect not liable to error, he is exposed to unjust decisions of our Vice-Admiralty Courts, a danger of no common magnitude, if we are to believe the assertion of Lord Hawkesbury in the house of Commons, the 29th April, 1801, that of three hundred and eighteen appeals from those courts, only thirty-five of the condemnations were confirmed at home.

It would therefore follow that a common insurance in this country would cover little more than the sea risk, and the security of

the London merchant would be still more imperfect than that of the American, because to all the uncertainties mentioned, as attending the situation of the latter, must be added the possible case, that he is really deceiving his English correspondent, and that the property belongs to our enemies. Either, therefore, the whole business must be given up, or the alternative adopted must have been resorted to, of the underwriter, after signing the common policy, entering into a separate engagement to pay the loss sixty days after proof of capture or detention by any power, British or foreign ; and this clause, not being susceptible of enforcement by law, must depend for its execution on the honour of the parties.

Now the merit of the very moral admonition of the author of "War in Disguise" on this subject, must depend much upon the character of the trade which has been so insured ; and it may be some satisfaction to the underwriter to discover, that it is that of an honest neutral, and that he has not been abetting those perjuries and forgeries*, with which it has been endeavoured to alarm his conscience ; he will also be aware, that, together with the merchant, he had materially facilitated that circulation, by which our manufactures are paid for by the consumption of our enemies of the produce of the soil, or of the commerce of America ; and that it is to our power of facilitating such a circulation by means of capital and credit that their superiority may in a great degree be imputed.

That enemy's property is in this manner sometimes insured there can be no doubt, and there are cases where it has been done knowing it to be so, but certainly to a very limited extent. First, because there is little property of that description at sea, (and particularly since our judicious interruption of the enemy's coasting trade ;) and Secondly, because most merchants and most underwriters would in this case really entertain those scruples, which would be so ill placed in the other. Upon the whole, therefore, without discussing the policy of not permitting insurances on enemy's property to be made, which is however very doubtful, and without determining whether according to rigid principles of morality the spirit of any law may be evaded, it cannot be denied that it is in the present case, if any, that the *malum prohibitum* may be distinguished from the *malum in se*.

HAVING explained our conduct towards the trade of neutrals, and particularly towards that of America, during the last war, and in what manner this new neutral had totally changed the character of it, I shall proceed to consider what our conduct during the present war has been, since the commencement of which only the clamour, which has at least produced our present system, has originated.

On the recommencement of hostilities in 1802, the measures of the last war were renewed by the instructions to our cruizers, dated the 24th of June in that year, with the single exception, that in permitting the neutral to trade freely between his own country and the hostile colonies, and between his own country and that of the enemy in Europe, we no longer permitted him to bring the produce of those colonies to Great Britain, as was allowed by the instructions of the year 1798, but we returned in this respect to the former provisions of those of 1794*.

During a long war, we had had ample time to consider and understand the nature of neutral commerce, and the result was a continuation of our former practice; but we found, very early in the present contest, that the efforts of our enemy were to be principally directed towards our commerce, which, however, it was a long time before they could seriously annoy. As long as we were freely admitted into the ports of the continent, and the shutting up of one port was compensated by the opening of another, no complaints were heard; but as the increasing power of the enemy enabled him by degrees to draw the net closer, our West-India merchants, as soon as the effects of exclusion were felt, although they had before combated the competition of neutrals without complaint, now imputed their distress solely to that competition, and lost sight entirely of its real cause.

Early in 1805, these complaints accordingly began, and exaggerated statements were circulated of the comparative advantages to the hostile colonies over our own.—They were cautiously listened to by Mr. Pitt, who, it appears, determined to give an indirect relief by throwing difficulties in the way of the neutral, which should satisfy the West-India planter, by increasing the neutral freight and insurance, the moderate rate of which was a principal subject of complaint; and though little can be said for the justice of the expedient resorted to, its efficacy was complete.

* Some other unimportant alterations were made not worth noticing.

These vexations were to be produced by starting some new principle of conduct towards neutral commerce ; and, as remonstrances were naturally expected, the public mind was prepared for the discussion of them by inflammatory publications. At this time, October, 1805, the pamphlet, of which so much notice has been taken, "War in Disguise," made its appearance, and we are told by the author, in his preface, "that it was written in considerable haste, on account of some temporary considerations, which add to the immediate importance of the subject."

We shall now see the advantage which we were to derive from a nominal maintenance of the rule of 1756. By assuming that rule to be law, and that our not enforcing it was the effect of our indulgence, all the privileges which the neutral held, as he thought by right, were considered by us as held by sufferance ; a doctrine, which enables us to establish the most inconsistent practice under the mask of the most consistent theory. Accordingly, though we have seen, that principles directly opposed to this doctrine have been established by treaty, and that we have actually paid America for the damages she sustained by its temporary, and, as we called it, illegal execution, yet the law is immutable, and we should be told by Civilians, that it is not even in our power to remove this rule out of the code of the law of nations.

People are generally most tender when suspicions attach to the virtues they are most wanting in, and accordingly consistency is most warmly contended for by our Admiralty Court. "It is not," says the learned and most respectable Judge of that Court, "to deliver occasional and shifting opinions to serve pre-sent purposes of particular national interest, that I am here stationed." And again : "It is the duty of the person sitting here to determine a question in London in the same manner as he would determine it in Stockholm*." Nor can it be contended, that in theory there is any inconsistency, if this rule is admitted

* Robinson's Admiralty Reports, 2 vol. p. 295.

In making reflections on the conduct of our Court of Admiralty, I beg leave to explain that it is of the general system of our prize laws that I complain. For the character of Sir William Scott I entertain that profound and unfeigned respect which writers on all sides have been eager to express. The judge does not create the law he administers, but every person who has attended to the proceedings of our Admiralty Court must be conscious of the endeavours of Sir W. Scott to distribute that real justice which unfortunately is not always within his reach.

to be a part of the law of nations ; for although our conduct may change every month, yet, as the whole exists through our indulgence, we may vary and modify it at our pleasure. In the same manner, if it were a principle of common law, that the lives and property of all subjects belonged to the King, the one and the other might be disposed of in the most arbitrary and inconsistent manner in practice, while the most perfect consistency in theory would be preserved.

It has appeared to me in every point of view interesting to examine our conduct in the application of this system towards America, as one of our principal complaints against her is, her encroachment on what are called our maritime rights. We have seen how seldom those rights have been executed towards any country, and it is rather singular that the French, even in their enumeration of the pretended wrongs of this country towards neutrals, in which they constantly talk of our refusal to admit the rule of free ships making free goods, never mention this more important doctrine, probably because they consider it to be one of those antiquated pretensions, which they could not persuade Europe we ever seriously maintained.

In the present times, I could hardly expect any reader to follow me into an examination of this rule by the authorities on the law of nations, even if I were, as I do not profess to be, qualified for the task. These voluminous authorities, which, according to the interests of nations, are declared either musty volumes or sublime productions, are now only used by Secretaries of State, or their foreign Envoys, as masks under which they may fence for their respective interests ; and consulted, not to determine how one country may or ought to act towards another, but in what manner actions, which expediency has dictated, may be either impeached or defended.

Although the interests of humanity strongly favour a diminution of the rigours of war by a liberal interpretation of the rights of neutrals ; yet it is not to the justice of the principles of the rule of 1756 that I object. If it were practically possible to preserve uninjured, during war, the accustomed trade of the neutral, during peace, that increase which arises from the pressure on the weaker belligerent, might with much reason be refused by the stronger. If we had maintained and defended this doctrine boldly and fairly against all nations, good arguments in favour of it could not at least be wanting ; but when we have uniformly yield-

ed it, and indeed forbore to claim it, can it be consistent; either with magnanimity or good policy, to bring it forward now, merely because the only remaining neutral has a defenceless commerce? If such cowardly injustice is to be one of our resources in these trying times, when elevation of sentiment and of national character are more than ever wanted, the means and strength of this powerful empire are indeed strangely misunderstood.

But although the publications of many authors, chiefly anonymous, called loudly for the adoption of the rule of 1756, Mr. Pitt proceeded more cautiously, probably from a conviction of the difficulty of establishing it without universal war, and from an opinion, that we were materially benefitted by the trade which he was called upon to suppress; a circumstance which could not escape his penetration.—Since the commencement of the last war in 1793, until the year 1805, the trade of America had, therefore, under the circumstances which I have described, continued with slight and unimportant interruptions to be respected; and notwithstanding this formidable principle, like the sword of Damocles, was always hanging over her head, she thought as little as European neutrals, of looking to any thing but the practice, which, although not exactly what she thought she had a right to, was sufficient, considering that the occasional irregularities of war can never be wholly avoided, to keep her satisfied.

Although it has been shown, that this trade was *bona fide* for American account, it is not denied that the colonies traded with were improved and benefitted by it. The cultivation of Cuba, in particular, had been extended; all wars operate differently on Spanish colonies from what they do on any other, nor can the pressure of any war be equal to the pressure of Spanish jealousy and monopoly. The general supply of West-India produce on the continent was increased, and as that of our own islands was also rapidly advancing, and exceeded very much our own consumption, our merchants complained that the cheap freight and insurances of Americans made it impossible to meet them in the markets of the continent. To this evil our subsequent conduct was an effectual remedy for the time, but the increasing rigour of France soon proved that our inability to trade in competition with the neutral arose more from the restrictions of the enemy than from any other cause.

The rates of freight and insurance on American vessels, as

reported by the West-India Committee *, continued no longer than to the alteration of our conduct towards America in 1805; and which, although great pains were taken to show that no new principles were acted upon †, may be said to have had the important consequences of doubling, and in many instances more than trebling, the rate of American freights and insurances.

I proceed to consider the nature of these alterations.

It has been seen, that under the general dispensing power, which the nominal maintenance of the rule of 1756 gave us, we still held the direct trade between the colonies and the mother country of the enemy prohibited. This prohibition is indeed so consonant with common sense, that it has seldom been disputed. Such a trade, were it once established for neutral account, would have a natural tendency to degenerate into fraud; and we accordingly find that it remains prohibited by the Russian treaty, and serves as an additional proof of the good sense and mutual moderation with which that treaty was framed.

This principle, which was generally acquiesced in, had brought forward in the course of the war some cases of difficult decision. If the neutral could not carry directly between the colony and mother country of the enemy, it was argued, and with reason, that he should not evade the law by merely stopping in his own country to change the ship's papers in such a manner as to give a false colour to his new voyage, which in reality was no more than a continuation of the first. There were, no doubt, instances of enemy's property being fraudulently conveyed in this manner, but even the honest neutral, as a part of the articles he imported for his own account were destined for re-exportation, wished to make his requisite pause in America as little expensive as he could. But, as is generally the case, where there is a real disposition to remove difficulties, and none to make them serve the purposes of vexation, they are seldom formidable. It was not al-

* Evidence of Mr. Marryot, page 19.

These comparative estimates must be very uncertain, as it must be difficult to ascertain with any precision the rate of freight in America, where the business of the merchant and the ship owner is seldom separate, and the average of premiums of insurance are also not easily ascertained. It is not important to my argument to examine minutely these calculations, which are evidently put in the most favourable point of view for the opinions they are intended to support.

† War in Disguise, p. 67.

ways easy to determine whether a cargo was imported into America with a *bona fide* intention of making the most of it there, or with a predetermination to re-export it; numerous instances of both kinds must have occurred, and we accordingly find that, when brought before our Courts, some were condemned, and some acquitted, accordingly as the penetration of our judges enabled them to discern the truth*; nor were these decisions subjects of complaint or alarm.

The important change in our conduct alluded to, was introduced by the decision of the Lords of Appeal on the case of the cargo of the American ship *Essex*, at the Cockpit, in May, 1805. The Admiralty Court had before decided what was or what was not a continuation of the first voyage by the general complexion of the evidence, and that when goods had been made part of the common stock of America by a fair importation, and *the payment of duties*, they might be re-exported from thence to any part of the world.

The Court of Appeal, though no reason was assigned for the condemnation in this case, was understood to have established the illegality of the trade, founded on a discovery, now made for the first time, that the duties on the cargo imported had not been actually paid *in money*, but by a bond of the importer†.

This decision, although the distinction made was not calculated to catch the common eye, was well known to embrace the whole foreign trade of America, excepting that in her own produce. It circulated rapidly among our cruisers and privateers, and in the course of a fortnight the seas were cleared of every American ship they could find, which now crowded our ports for trial; and our West-India merchants were gratified by neutral insurances and freights being at least doubled by this ingenious discovery.

* Case of the *Mercury*, Roberts; and *Polly*, Lasky.

The decision on the latter case in Robinson's Reports, 2 vol. 361, was afterwards confirmed on appeal. It is a standard case, and will serve to show how the question was argued previously to the new rule of conduct, 1805.

† In the case of the *Essex*, Orme, there were also some suspicious circumstances, which might of themselves have justified the condemnation. But it was well understood, and it is admitted by the author of "War in Disguise," page 62—That this more rigid mode of determining the true criteria of the continuity of a voyage was established by this decision.

As this decision laid the foundation of all the complaints of America, of our vexatious measures against her trade, as it introduced a totally new line of conduct towards it, and as that change produced the Non-importation Act on her side, at which we affect so much indignation, a more minute examination of it is necessary for my purpose ; and the more so, as it will enable me again to refute the unfounded representations and distortions of facts on a subject, about which the necessary ignorance of the public particularly disposes them to be misled.

It has been confidently asserted, and our conduct may in a great measure be attributed to the belief which those assertions have obtained, that the importation of colonial produce into America, and re-exported to the Continent of Europe, was altogether colourable, and that it was enemy's property conveying home from their colonies by the most direct route, which our relaxations and indulgence would permit. What this trade really is, and the manner in which it is carried on, has been already explained, and there remains to examine, how the pretended proofs of fraud and collusion, which were on this occasion brought forward and acted upon by our courts, can be reconciled to the character which I have given of it.

In determining whether the second voyage was a continuation of the first, an opinion could only be formed from the general complexion of the case ; but the principal circumstance which was relied upon was the landing of the cargo in America, and the payment of the duties there. This was the principal presumptive ground, that the importer had no predetermination to export ; but other minor circumstances had also considerable weight.—The goods being shipped by a purchaser in America, and not by the original importer—their having remained some time in America, or having been advertised for sale—the exportation not being by the same vessel in which they were imported—nor to the mother country of the colony of which they were the produce.

These several considerations very properly contributed towards forming a correct opinion of the various cases ; and although no one in particular was absolutely conclusive, yet that first mentioned, of the landing and payment of the duties in America, was generally considered so, if not invalidated by any collateral circumstance of suspicion. But the opinion of the court on this point cannot be better given than in the words of

Sir William Scott, on pronouncing judgment in a case prior to the decision of the Lords of Appeal in that of the *Essex* *.

"Then there remains only the question of law, which has been raised, whether this is not such a trade as will fall under the principle which has been applied to the interposition of neutrals in the colonial trade of the enemy? on which it is said, that if an American is not allowed to carry on this trade directly, neither can he be allowed to do it circuitously. An American has undoubtedly a right to import the produce of the Spanish colonies for his own use; and after it is imported, *bonâ fide*, into his own country, he would be at liberty to carry them on to the general commerce of Europe. Very different would such a case be from the Dutch cases, in which there was an original contract from the beginning, and under a special Dutch license, to go from Holland to Surinam, and to return again to Holland with a cargo of colonial produce. It is not my business to say what is universally the test of a *bona fide* importation: it is argued, that it would not be sufficient that the duties should be paid, and that the cargo should be landed. If these criteria are not to be resorted to, I should be at a loss to know what should be the test; and I am strongly disposed to hold, that it would be sufficient that the goods should be landed, and the duties paid.

"If it appears to have been landed and warehoused for a considerable time, it does, I think, raise a forcible presumption on that side; and it throws it on the other party to show how this could be merely insidious and colourable. There is, I think, reason to believe, that the sugar was a part and parcel of a cargo, said to have been brought from a Spanish colony in this vessel; and if so, the very distribution of the remainder is some proof that they were not bought with an intention only of sending them on. But I have, besides, positive proof in the affidavit of Mr. Asa Hooper †, who swears that the du-

* Robinson's Reports, 2 vol. p. 368; case of the *Polly*, Lasky.

† "The Affidavit of Asa Hooper, of Marblehead, master of the ship Hope, belonging to Boston, and now lying at Cowes, states, that he had been acquainted with Mr. R. Hooper ever since he was a child; that he knows the brig *Polly*, and was at Marblehead when she sailed for Bilboa; and that he was informed by Captain Lasky, and various other persons, that the sugar, being part of the cargo, was a part of a

"ties had been paid for them." Then the only difficulty remains as to the cocoa; and it is said by one of the witnesses, and by one only, that it was transhipped from another vessel, and that it had been brought into America only ten days before. But although there is something of a difficulty arising on this small part of the cargo, yet, upon the whole, I cannot think it weighty enough to induce me to send the case across the Atlantic for still farther proof as to the facts of this recent importation and transhipment, or of its having been transferred to the present proprietors, or of its having been exported without a previous payment of import duties. If it had composed a larger part of the cargo, I might have deemed it reasonable to have had somewhat more of satisfaction on some of these points, which do not appear with sufficient certainty to found any legal conclusion against it. It appears, by the collector's certificate, that it had been entered * and imported, and I think that these words are sufficient to answer the fair demands of the Court."

Such was our doctrine and our conduct until the year 1805, when the new principles were introduced by higher authority, to which the inferior court conformed; and the unofficial defenders of this change (for a change, and a most material one it was, in its practical consequences, though no doubt Civilians are here again ready to prove the unchanging consistency of their theory,) supported it by the discovery, that the duties had not been paid *in ready money*; and that the Government of America had connived at and assisted the fraud by laws passed for the purpose.

"much larger quantity, the whole of which had been imported, landed, and the duties paid at Marblehead, by the said R. Hooper, in the general course of trade," &c.

* "The certificate of the collector stated, that in June, the Polly entered at his office, with a cargo of 590 boxes of sugars, the property of American citizens;—that, 17th August, the schooner William entered with 67 hogsheads, &c. of cocoa, and certified the clearing out of the Polly, &c. for Bilboa, with a cargo of 249 boxes of brown sugars, imported in the said brig from the Havannah, on the 25th June; and of 30 hogsheads, &c. of cocoa, imported in the schooner William, from Lagaira, with 1800 quintals of fish. Be it known, &c. that this cargo of sugars, cocoa, and fish, cleared out from this port for Bilboa, 27th August, 1799, is the property of citizens of America, &c."

It is rather singular that, with a Board of Trade to watch over the various commercial systems of different nations, with commercial agents in America, whose duty it must be to instruct that board in every thing relating to the institutions of a country, with which we have such important intercourse ; we should in the year 1805, have first discovered in what manner duties are raised, or a drawback granted, by the revenue laws of America, and it is perfectly consistent with that ignorance, that we should impute to a system, steadily pursued ever since a revenue was first raised in that country, a design to impose upon us a tissue of frauds and impostures during a war, which was not even dreamed of at the time that system was framed.

We have seen how the early trade of America was assisted by British capital in the shape of manufactures, which, with the value of her own produce, first enabled her to carry it on for her own account. To this facility was added a system, on the part of Government, of not exacting the duties on importation in ready money, but of giving a credit of three, six, nine, and twelve months, and in the single instance of teas, of two years. This accommodation, when the federal Government was first established, and the country poor, was absolutely necessary ; for, as the whole revenue is, and with immaterial exceptions always has been, collected from duties on imported articles, they are in many instances heavy, and could not be advanced by the dealer before he obtained some return from the consumer. In the case of goods imported for re-exportation, the aid derived from this system was still more manifest. In this country we long suffered under the absurd plan of making the importers advance heavy duties, to receive them again in drawbacks, greatly to the injury of the merchants, and without benefit to the revenue. The establishment of our docks and public warehouses have enabled us to make this necessary alteration ; but, as these did not exist in America, a plan was adopted perhaps for that country even better suited than ours.—The importer, instead of paying the duties, gave bonds for their amount, payable at the different periods of credit assigned by law to different articles. Whether those goods were re-exported or consumed, these bonds must be paid.—But as Government could not, in case of re-exportation, pay the drawback before the duty had been discharged, the exporter obtained a debenture or promise of Government to pay the amount

of the drawback, provided no default of payment of the bond for the duty had taken place, and which was additionally guarded against by a right of priority on the part of Government in case of bankruptcy. The difference in the result of this system and of that adopted by us is, that there is not only, (as now with us,) no waste of capital in the transit trade, but a credit is afforded to the dealer for home consumption; a circumstance which has most materially increased that of our manufactures, and which was necessary in America, though it would not be so here. No system could possibly be more simple, uniform, and intelligible. Occasional alterations were found expedient, as must be the case with all important revenue laws; but the great features of the system have remained unvaried from the commencement of an American revenue until the present day*.

Of all this we appear to have been ignorant, and in 1805 we are first told, that the whole was a plan to cover by frauds, to which the government is made a party, the property of our enemies. Captains of vessels, and custom-house officers, are *accused*

* The author of "War in Disguise" has totally misunderstood, for he certainly has misrepresented, this business in a manner to make out a most plausible statement to answer his purpose, (see page 60 and the Appendix (B) in the fifth edition.) In which he appears ignorant of every thing relating to American trade to a degree incredible in a person who undertakes to inform the public upon it. The system of paying duties by bond, and receiving a debenture for the drawback, is as old in America, as duties and drawbacks, and was not first instituted by the act of 1799. It applies to all the trade of America, and not to any particular branch. It is not true that colonial produce and East-India goods are the only "articles imported for re-exportation, generally speaking"—he will find that there is scarcely an article imported into America, of which some portion is not re-exported. On examining the act of 1799, he will find that he has omitted the material circumstance that "Coffee, cocoa, unrefined sugars, and liquors in casks, may have their packages renewed on exportation, in case the original packages shall be so injured as to be rendered unfit for exportation, and not otherwise." And a little recollection would have abated his surprise at this enumeration of articles; for they are precisely such as cannot without positive destruction be exported in damaged packages. This author has consulted most hastily the Act of Congress which he quotes; more attention would perhaps not have enabled him to discover the many proofs of fraud and imposture which he appears to have been looking for. The bond for the duties is absolute and unconditional for the payment of the a-

of perjury, for attesting on oath, that the duties had been secured in the United States, or paid according to law ; when the words rather show a most scrupulous desire of veracity. All duties on all goods are, and always have been, paid in the same manner, and where they amounted to the value of more than fifty dollars, there is probably no instance of their being otherwise discharged than by a bond. It is utterly impossible to show the slightest proof of any attempt at collusion or fraud ; and, if we were not satisfied that America should raise her own revenue in the manner she might think best, we have been guilty of gross neglect by continuing in a state of ignorance, which every clerk in a counting-house of an American merchant could have corrected.

It must at first sight be evident to the reader, that though I have endeavoured to remove the laboured misrepresentations on this subject for the purpose I have professed, of coming at a correct opinion of our conduct and of that of America, this pretended discovery cannot by any man of sense be considered otherwise than as a pretext, and certainly a most clumsy one. No consequences could have been seriously attached to facts, which were always before our eyes, though we affected never to have seen them. But the important practical consequences of this affectation in the capture of American vessels, in every quarter, (for the duties on their cargoes were all paid in the same man-

mount, and does not " condition for the payment of duties on re-exportation within twelve months." In like manner the debenture for the drawback engages for a positive payment, with the single condition, that the bond for the duties on the same goods shall be previously discharged. But as the payment of the duties may sometimes precede considerably that of the drawback, the debenture for the latter was made negotiable, to give facility to the merchant ; and the interest of six per cent. mentioned in the law, is only to be recovered by the indorsee against the original holder, in case his nonpayment of the duties prevented the discharge of the debenture. It would be difficult to devise a better system for the purpose intended, of giving credit on the import duties, where no public docks and warehouses exist, or one, from the clearness of its provisions, less likely, on a careful examination, to give countenance to imputations of fraud or disguise. I understand that a very satisfactory and clear report has been made on this subject by the Secretary of the Treasury in America, but not having been able to meet with it, I am obliged to confine this explanation to the suggestions of my own experience.

ner,) were not to be mistaken, nor the advance necessarily produced in the price of neutral freight and insurance, the great desideratum of the West-India interest.

In considering our conduct in this instance, it becomes again highly important to make up our minds as to the general character of the trade with which we are interfering : if it were, as has been asserted, that of an enemy under a fraudulent mask : although the device which was employed has more of the Italian than of the British character in it ; yet, many might be reconciled to tear away that mask by the same crooked artifice with which it was assumed. But if my former observations produce, as I think they must, a conviction, that the trade and property so sported with, belong to an honest neutral, there can be no doubt that our conduct towards it deserves the name of the most unqualified injustice.

The other criteria of lawful trade, and of the separation of the voyage from America to Europe from the preceding one from the Colonies, though useful and important, where a sincere disposition existed to come at the truth, and to act upon it, afforded great variety of ground for vexation, more plausible than that produced by the discovery respecting the duties. The object of the importer of colonial produce was, to dispose of it to the best advantage : if the home market did not suit him, he re-exported ; and, in selecting his foreign market, the fixed habits of different countries made each European state the best market for the produce of its own colonies, as in each colony the best price will be found for that of the mother country. Hence arises the circumstance which has improperly been considered a proof of fraud *, that Havannah sugars and Caraccas cocoa are chiefly met with going to Spain, and French wines to French colonies.

Nor was the injury to the Americans confined to the application of these new and vexatious principles ; for our privateers and cruisers, apprehending little danger of being made answerable for their error, were not disposed to make nice distinctions, but detained and sent in every vessel they met with under the most frivolous pretences, in which they were also encouraged by the expectation of actual war. Of the extent to which this was carried, some idea may be formed, when it is stated, that car-

* War in Disguise.

goes, wholly of American produce, and of the produce of neutral countries trading with America, were captured, and even brought to trial *. In these instances, the judge decreed restitution of ship and cargo, and costs against the captors, with expressions of indignation, which so lawless an outrage necessarily excited; the latter had, in the face of this censure, the audacity to enter appeals, and the American was obliged either to compromise or leave to the captors the option of bringing forward his appeal within a twelvemonth, with the possible advantage of an intervening war securing to him his prize †. The owners of privateers are in the daily practice of bringing in valuable cargoes, and offering immediately to release them for one or two hundred guineas—they sometimes require a much larger sum; and the London merchant is either obliged to acquiesce in this iniquitous robbery, or let his correspondent suffer the more expensive vexations, which it is unfortunately in the power of these people to inflict.

If these are the maritime rights, for which, we are told with a pompons ambiguity that always avoids coming to the point, "our ancestors fought and bled," and for which "we crushed the northern confederacy ‡," I am strangely mistaken. It is worthy of remark, that the principle contended for by that confederacy has never received any support from America, nor been

* The Governor Gilman, loaded with tobacco from New-York to Amsterdam, and the Orion, from St. Petersburg to America, tried in the Court of Admiralty in October, 1807.

† The right of appeal, instituted as a security against injustice, has been made a most formidable instrument of what it was intended to guard against. The captor almost invariably appeals when the inferior court decrees an acquittal; he has, in consequence, one year certain, during which he can keep the owner in suspense, with the addition of any further time which the ingenuity of his lawyer may gain for him; and if, in the mean time, war is declared with the country to which the ship belongs, condemnation follows without reference to the merits of the first capture. When war was declared against Denmark, vessels of that country were then condemned in the Court of Appeal, which were detained four and five years before. An immediate and summary decision is an undoubted and a principal right of neutrals; and if this practice is to be countenanced, they would be materially benefited by abandoning the right of appeal altogether.

‡ Concessions to America, p. 23.

the subject of discussion with her. Even the broad ground of the rule of 1756 has never been disputed with her, because we never maintained that ground.—But the complaints of America are, that we began by suffering, and formerly recognizing, a trade which we have, since the year 1805, been molesting and harassing by the successive invention of the most absurd and frivolous pretexts. If, at the beginning of the last war, we had steadily persisted in refusing to neutrals any extension of their accustomed trade, that question would have been fairly at issue between us. America, if she still preferred neutrality, would not have entered into those extensive operations which have been insidiously attacked by indirect hostility.

A candid consideration of the history of this trade, can leave no doubt on which side the encroachments, so much talked of, began; and, instead of imputing the complaints of the Americans, to their desire of availing themselves of our dangers, for the ungenerous purpose of advancing extravagant pretensions, we should rather accuse ourselves of taking advantage of the unprotected state of her commerce, to harass it by a systematic course of the most arbitrary inconsistency.

The measures resorted to by America, under these circumstances of provocation, were certainly of the mildest species of hostility, and such as evidently showed a desire of peace. A law was passed prohibiting the importation of certain articles of British manufacture; by which a demonstration of commercial warfare was certainly intended; but it is such as every independent nation, even in time of peace, has a right to resort to without giving offence; and, if the commerce of America were to be materially interrupted, a reduction of their importation of European articles became indispensable. This law, after different suspensions, is not yet repealed.—Of its wisdom as a commercial measure there may be doubts, but as an annoyance of our trade, for the purpose of enforcing respect for theirs, we have no right to complain of it.

Shortly after the passing of this law, a treaty was negotiated between the two countries, which, as far as it went, was a fair and equitable adjustment of our differences, which indeed a cessation of the unfriendly disposition of this Government by the change of administration would of itself have produced. But as in our foreign negotiations the conduct of one administration must be

maintained even by their opponents, the only commercial point requiring adjustment was to break in such a manner the continuity of the neutral voyage from the colonies to the country of our enemies in Europe, as to leave no room for future misunderstanding. This was effectually done by the condition, that a small duty should be imposed in America, which should not be drawn back, and which had the additional advantage of increasing the charge of conveyance of colonial produce to the Continent of Europe*.

It is natural that this stipulation should displease those who looked upon every preventive of war as a misfortune. But any further observations on this or other parts of the treaty would be at present uninteresting, and particularly as it has not been ratified. The refusal, on the part of America, is supposed to have been principally owing to the want of some provision against taking our seamen from on board her ships ; and as the importance of this subject has been increased by the affair between the two frigates, I shall make a few remarks on it, although foreign to the immediate object of this inquiry.

It was impossible to establish, with the political separation of America from Great-Britain, any intelligible distinction between the inhabitants of the two countries. The distance, however, prevented much inconvenience from this circumstance, excepting in the case of sailors, whose habitation being no where, and every where, and whose fickle disposition led them, according to accident, into the service of one or the other country.—As long as peace continued, no injury ensued to either party from taking their seamen from a joint stock ; for although the most populous country was naturally the principal breeder, yet this mode of disposing of a surplus population was no injury, and the number of seamen generally of English character and habit was increased. But a state of war produced the most perplexing confusion. Our seamen were deserting our service for that of America, in conse-

* The treaty has not yet been published, but this fact is stated by the author of *Concessions to America the Bane of Britain*, and is since confirmed by several publications in America. Though this author deprecates the interference of interested advisers with the late ministers, he appears to have been deep in the secrets of the present. I think it proper to state, that it is from him that I have the first information of any part of that treaty.

quence of our system of impressment : and, on the other hand, the native seamen of America, for want of any distinguishing mark, found no protection from impressment by our ships of war.

With a mutual disposition and a mutual interest to come to some fair solution of this difficulty, it has hitherto been found impossible. If at any future period it should be found practicable to man our navy without compulsion, by adopting the plan of limited service, which has been introduced into the army, or otherwise, sailors would, after a short time, feel as little reluctance to the Government as to the merchant service ; for it is the unlimited confinement only which makes the distinction. But this is not the time for experiments with a service on which our existence depends. The present war at least must be fought out on the present plan, and as long as we are obliged to resort to impressment, it will be found impossible to resign a right of taking our own subjects from on board neutral merchant vessels ; for such a resignation must tend immediately to increase the evil much beyond its present magnitude, by encouraging the desertion which must follow, if the sailors thought a neutral vessel an asylum from which they could not be taken. The question of right on this point must be overruled by the necessity of self-preservation, which has been thought by the best informed to be involved in it.

But at the same time it cannot be denied, that this necessary exercise of our power is an injury to America of the greatest consequence, and that it becomes our duty to listen to the remedies which she may suggest, and adopt such as may appear consistent with our own safety. It should not surprise us, that an independent Government should use every endeavour to protect her own citizens from impressment, to which, with the best intentions on our part, they are frequently exposed ; or that the necessity of the system we pursue should be less apparent to them than to ourselves. The present practice of protections, which requires that American sailors should have about them certificates of citizenship, though liable to great hardship and abuse, is still the best remedy yet suggested, and the two following regulations might perhaps be established without injury to this, and much to the advantage of that country. First, that no men should be taken out of ships on the American coast ; and Secondly, that it should be the duty of every commander, the first time he enters any British port in which there shall be an American Consul,

to bring before him any men he may have taken out of an American ship, that they may have the means afforded them of establishing, if they can, their American character*.

The pretensions to a right to search a national ship for *any thing*, appear so generally exploded and renounced by all parties, that it is unnecessary to enter upon the subject of the rencontre between the Leopard and the Chesapeake. The only question that can remain must be, as to the nature of the reparation to be made.

The whole question respecting seamen, which this unfortunate business rendered still more perplexed, could, however, in no event have led to war, if conducted with that temper and moderation which a subject of so much delicacy and interest to both countries required. It must be naturally offensive to the proper pride of every independent nation, that a particular class of its people should be liable to impressment into a foreign service, if found at sea without a certificate of their origin in their pockets. Far from being surprised that the government of America should, on a subject so important, exhibit the most earnest appearances, we should, instead of ascribing them to any intentions generally unfriendly, rather regret the imperious necessity, we are under of adhering to a practice which nothing but that necessity can justify.

WE have now reviewed the neutral commerce of America, and our conduct towards it, from the beginning of the last war until the commencement of the present administration; and it will be difficult to discover those concessions on our part, and those insolent encroachments on that of America, with the repetition of which the newspapers and publications of this country have endeavoured to inflame the public mind. We have seen, on the contrary, that America never took any part in the extravagant pretensions of the northern powers, at whose courts she had even no accredited ministers, and that her complaints of the system of vexation and oppression practised towards her commerce since the year 1805, were but too well founded.

These details are, indeed, rendered less interesting by the

* This subject is very ably discussed in the Edinburg Review for April. I agree with the author in every thing, but the efficacy of his remedies.

magnitude of the event which we have now to consider ; but it appeared to me particularly important to place the whole subject in a proper light, by refuting the misrepresentations by which it has been studiously obscured, and by explaining the real nature of American commerce.

It was generally understood, when the present administration came into power, that a decided change was to take place in our conduct towards America ; and accordingly, after some deliberation, the orders in council of the 11th of November made their appearance ; and to that country, now the only remaining neutral, all the others having been successively over-run by our enemy, they may be considered as solely applying.

: Although the admission between independent countries of the plea of necessity and self-preservation, as an excuse for violating the rights of others, is, from the certainty of its abuse, subversive of those laws by which they are bound together ; yet, when that necessity really and manifestly occurs, the propriety of such a resort cannot be disputed. In our present situation, fighting for our existence against the most formidable power the world ever witnessed, measures of a direct tendency to weaken materially the military and naval force of our enemy, or increase our own, might certainly, if ever, claim this justification. But would it not be a more frank and manly proceeding, to state, in plain language, the case of necessity to the countries that are to suffer? Should we not be more likely to silence thereby their objections, and secure at least their tacit acquiescence, than by insulting them, in affecting to justify, as an ordinary and legitimate right, and to cover, by flimsy pretences, what, without the most urgent necessity of self-preservation, must be deemed an aggression of the most gross and unprovoked description? When the principle of 1756 was established, the language of Lord Chatham was as bold as the measure itself; and Sir Joseph York, instead of searching for a justification in the writers on the laws of nations, declared frankly to the Dutch, "*that his Majesty could not otherwise get out of the war with safety.*" If we had treated the commerce of America with the same sincerity, instead of molesting it, as we have seen, by a repetition of the most disgraceful chicane, that commerce would have suffered less, and our own ends would have been answered. Such an appeal to the good sense of the people of that country, would

certainly have been less likely to produce war than the sophistry with which they have been treated, and of which every man in i must detect the fallacy.

These remarks, applicable to the whole of our conduct, are particularly so to the manner of issuing these important orders: they are not defended as measures necessary for our self-preservation; no appeal is made on that ground to America; she is not called upon to reflect how immediately her own independence is connected with ours; but they are defended as a just right of retaliation, arising from the common principles of the law of nations, and according to their merits by this test, they will therefore be judged.

It is hardly possible that this important measure can really, in the mind of any thinking man, be justified on this ground, assumed as it is in the preamble to the orders, which the simple statement of a few dates and a few facts must entirely destroy. As the public, however, appear ignorant of them, I shall endeavour to explain them very shortly, and consider hereafter the expediency and policy of these orders, which, (although, for argument's sake, I have supposed established even to a degree of necessity for self-preservation,) I shall show to be as pernicious to this country, as to the neutral involved in their destructive consequences.

Under the form of a blockade of all the ports of the continent of Europe, (a form by which we affect an adherence to the law of nations, at the same time that we countenance the violation of all its provisions respecting blockade,) all trade with it is interdicted, except through this country, and under such fiscal and political restrictions as we may think fit to impose. The American merchant can no longer carry the produce, even of his own soil, to any part of the continent of Europe: for so extensive an injury to a country, whose right of independent sovereignty was violated, and whose commerce was destroyed by this proceeding, it would have been in vain to search for authorities or precedents any where; and accordingly the preamble states, that

“Whereas certain orders, establishing an unprecedented system of warfare against this kingdom, and aimed especially at the destruction of its commerce and resources, were some time since issued by the Government of France, by which

“ the British islands were declared to be in a state of blockade,”
 thereby “ subjecting to capture and condemnation all vessels,
 “ with their cargoes, which should continue to trade with his
 “ Majesty’s dominions: And whereas, by the same order, all
 “ trading in English merchandise is prohibited, and every article
 “ of merchandise belonging to England, or coming from her
 “ colonies, or of her manufacture, is declared lawful prize: And
 “ whereas, nations in alliance with France, and under her control,
 “ were required to give, and have given, and do give, effect to
 “ such orders: And whereas his Majesty’s Order of the 7th of
 “ January last has not answered the desired purpose, either of
 “ compelling the enemy to recal those orders, or of inducing
 “ neutral nations to interpose with effect to obtain their revoca-
 “ tion, but on the contrary the same have been recently enforced
 “ with increased vigour.”

These are the motives assigned for the order of a general blockade, and the destruction of all commerce of neutrals with the continent of Europe. The other essential part of the Order, to bring in for condemnation of ship and cargo, all vessels, the cargoes of which shall be accompanied by a certificate of origin, has the following preamble:

“ And whereas countries, not engaged in the war,
 “ have acquiesced in these orders of France, prohibiting all
 “ trade in any articles, the produce or manufacture of his Ma-
 “ jesty’s dominions; and the merchants of those countries
 “ have given countenance and effect to these prohibitions,
 “ by accepting from persons, styling themselves commercial
 “ agents of the enemy resident at neutral ports, certain docu-
 “ ments styled “ certificates of origin,” being certificates ob-
 “ tained at the ports of shipment, declaring that the articles of
 “ the cargo are not of the produce or manufacture of his Majes-
 “ ty’s dominions, or to that effect:

“ And whereas this expedient has been resorted to by France,
 “ and submitted to by such merchants as part of the new system
 “ of warfare directed against the trade of this kingdom, and as
 “ the most effectual instrument of accomplishing the same, and
 “ it is therefore essentially necessary to resist it:—”

The question of our right to sacrifice the trade of a neutral here evidently depends, not on the extent of injury which one belligerent has done to another, but in how far that injury is in-

flicted through the acquiescence or concurrence of the neutral, in measures which it would have been competent to that neutral to resist or interfere with. All nations have an undoubted right to regulate their own trade in the manner most for their interest, and none use that right more peremptorily than ourselves. France, Spain, Holland, &c. may order even in time of peace, and of course in time of war, that no articles of British produce or manufactures shall be received into their respective dominions, in the same manner as we, at our pleasure, permit the importation of some, and prohibit that of other articles. The only remedy of any country that may think itself injured, is by retaliating with counter regulations of its own trade. But nothing certainly would be more impertinent than the interference of a third party. With what propriety could America insist with France, that British manufactures should be received by her? If, therefore, France has an undoubted right to enact this prohibition without giving offence to the neutral, she has also a right to secure its execution by such regulations as may be necessary, and, of course, to direct that all goods imported into France shall be accompanied by a certificate of a French Consul at the port of their shipment, that they are not of the produce or manufacture of Great-Britain or her dominions. Even if this regulation were, which it is not, an injury to the commerce of America, it could not be resented by her; because France has a right to prohibit totally all trade with that or any other country, without giving them offence. We, in many cases, require foreign articles, imported into this country, to be accompanied by certificates from our Consuls abroad. Nothing can, therefore, be more frivolous than the assertion of our right to complain of the acquiescence of American merchants in the regulations of France, relating to certificates of origin; nor is this regulation, as the preamble to our Orders in Council pretends, part of a new system of warfare directed against us: on the contrary, it was established on the breaking out of the war by an *arrêté* of the then First Consul, dated Paris, the 30th of June, 1803, although it is now for the first time brought forward as a ground of complaint against neutrals.

But although America cannot be expected or required to interfere between the two belligerent powers, by pretending to a right of determining whether any, or what commercial inter-

course shall exist between them, yet she is undoubtedly answerable for any injury the one or the other may receive from an unresented attack on her fair neutral rights by either party. If France, for instance, pretended to interfere with the trade of America to this country, the acquiescence of the latter would be to us a fair ground of complaint, and even of retaliation ; as much so as America prohibiting, at our instigation, her merchants from sending certificates of origin with goods destined to the Continent, would be an act of aggression towards our enemies.

The right asserted in the preamble to our Orders can therefore only be considered as they apply to this position. France must be shown to have interfered in the trade between America and our dominions, and America knowing this interference must have left it unresented. If this really be the case, although I should then much doubt the expediency of our violent retaliation, our right to follow implicitly the dictates of our own interest could not be disputed. But how is this case made out by facts ?

The official act of the French Government, which, though not named in our Orders in Council, is referred to, and quoted from, as containing the objectionable passages, is the decree of the 21st November, 1806, issued at Berlin, after the conquest and subjection of the North of Germany. This act, on reading it attentively, appears to have been issued in a moment of exultation, without any precise or definite object, but all its provisions point to the intercourse between Great-Britain and the Continent of Europe, to which the subjection of the North of Germany at last gave France the hope of effectually putting a stop. The expressions are however general ; the British Islands were declared to be in a state of blockade, and all Commerce and correspondence with them was interdicted. If this was to be confined to France, and such dependent Governments as she could induce to act upon them, it was an act of hostility in which we could not expect America to interfere. But as America was also embraced in the general expressions, and not excepted by any particular clause of this act, it became particularly interesting to ascertain, whether she was also intended to be included, and whether she would acquiesce in this violation of her neutrality, in a point of essential importance to us.

This subject accordingly attracted, as it was calculated to do, the immediate attention of our Government. All trade from one

country of Europe under the influence of France to another was prohibited by the judicious Order of the 7th January, 1807. By a fair but spirited representation to the American minister by the Secretary of State, and again by a memorial, dated 31st December, 1806, presented by Lord Holland and Lord Auckland, Plenipotentiaries engaged in forming a treaty with America, it was formally declared, that "if the enemy should carry his threats into execution, and if neutral nations should, contrary to all expectation, acquiesce in such usurpations, His Majesty might probably be compelled, however reluctantly, to retaliate in his own just defence, and to issue orders to his cruisers to adopt towards the neutrals any hostile system, to which those neutrals shall have submitted from his enemies."

Our rights could not possibly be stated in a more explicit, or a more correct manner; no retaliation of the French decree took place on our side, and we appear to have remained satisfied during a whole twelvemonth, that the practice under it amounted to a proof, that it was either tacitly abandoned, or never intended to be enforced against America; until a total change of conduct towards that country being resolved on, we are informed, on the 11th of November, "that countries not engaged in the war have acquiesced in the orders of France," as an excuse for a most rigorous system of retaliation, which, if the assertion were correct, would certainly have been justifiable.

As America is the only neutral, we may confine our inquiry to her conduct, which is explained by a message of the President to Congress, of the 19th February, 1807, in which he says, "I enclose also a letter from our Minister Plenipotentiary at Paris, covering one to him from the Minister of Marine of that Government, assuring him that the Imperial Decree lately passed was not to affect our commerce, which would still be governed by the rules of the treaty established between the two countries." The letter enclosed perfectly justified this representation of the President. It appears that the American Minister at Paris, properly alive to the interests and character of his country, did not wait for any instructions from his government, but, before even he could have known our intentions, and the conditions affixed to our retaliation, demanded, as early as the 10th of December, at Paris, an explanation of the Decree which had appeared at Berlin only nineteen days before. The answer must have entirely

satisfied him ; it expresses distinctly " That an American vessel " cannot be taken at sea for the mere reason that she is going to " or coming from a port of England ;" and the general tenour of it confirms the opinion before suggested, that the Berlin Decree was never intended to operate beyond the immediate intercourse between this country and the continent*.

* Copy of a letter from Mons. Decrés, Minister of Marine and of the Colonies, to General Armstrong, American Minister at Paris, dated 24th December, 1806.

I hasten to answer the note you did me the honour to address to me on the 20th of this month.

I consider the Imperial Decree of the 21st of November last, as thus far conveying no modification of the regulations at present observed in France with regard to neutral navigators, nor consequently of the Convention of the 30th of September, 1800, (8 Vendemaire, 9th year,) with the U. S. of America.

But although by this answer the four questions, upon which your Excellency has desired to know my opinion, have been implicitly resolved, I think I can add, that the declaration expressed by the 1st article of the Decree of the 21st of November, not at all changing the present French laws concerning maritime captures ; there is no reason for inquiring what interpretation, restriction, or extension may be given to this article.

2dly. That seizures contrary to the existing regulations concerning cruisers, will not be allowed to the captors.

3dly. That an American vessel cannot be taken at sea for the mere reason that she is going to a port of England, or is returning from one, because, conformably with the 7th article of the said Decree, we are limited in France not to admit vessels coming from England or the English colonies.

4thly. That the provisions of the 2d and 5th articles of the said Decree naturally apply to foreign citizens *domiciliated* in France, or in the countries occupied by the troops of his majesty the Emperor and King, inasmuch as they have the character of a general law ; but that it will be proper that your Excellency should communicate with the Minister of Exterior Relations as to what concerns the correspondence of the citizens of the U. S. of America with England. I pray your Excellency, &c.

DECRES.

P. S. It will not escape General Armstrong, that my answers cannot have the developement which they would receive from the Minister of Exterior Relations ; that it is naturally to him that he ought to address himself for these explanations, which I am very happy to give him, because he wishes them, but upon which I have much less positive information than the Prince of Benevento.

It is to be presumed, that some communication must have taken place between our Government and that of America, if any doubt remained respecting her acquiescence in this Decree; and if we were not satisfied with the notorious fact, that no condemnation of an American vessel had ever taken place under it, and that so little did the French privateers interfere with the trade of America with this country, that the insurance on it has been very little higher than in times of profound peace, while that on the American trade with the continent of Europe has at the same time been doubled, and even trebled, by the conduct of our cruisers.

Unless, therefore, his Majesty's Ministers have some information of which the public is not possessed, and which contradicts the very clear evidence the public do possess, we must conclude, that the assertion in the Orders of Council, that America had been guilty of that acquiescence in the decrees of France which was to draw down, and has drawn down upon her, our menaced retaliation, is totally void of foundation.

It can hardly be necessary to point out, that the French Decree of the 26th of last December, issued in consequence of our Orders in Council, can afford no justification of them, nor would it be necessary here to allude to it, but from the general disposition of the public papers to confound all the transactions together, for the obvious purpose of deception. If what has been stated be correct, that our Orders in Council are not justified by any previous provocation, they must be evidently acts of original aggression, and France has retaliated much in the same manner, and with the same right, as we should ourselves have done had the Berlin Decree been rigidly executed.

THIS general view of our conduct towards America, which we have now closed, and especially the last and most important scene of it, exhibits I fear the very reverse of those encroachments on her part, and of concessions on ours, which have been so industriously repeated to lead the public blindfold to the approbation of a proceeding, as void of honour and good faith, as of any rational calculation of policy.

The prize should indeed be great that we are to obtain by such a sacrifice of national character. But before I proceed to consi-

der its value, and to explain the pernicious effects of these new measures to ourselves, I shall close this part of my subject with some remarks on the probable conduct which they are likely to produce in America.

The citizens of the United States are certainly, as the author of "War in Disguise" tells us, a sagacious people, and, perhaps, of all others the most likely to discover their own interest, and not to be diverted by enthusiasm of any sort from steadily pursuing it. But they cannot fail to see through the flimsy veil which we have thrown over our conduct, and to be sensible of the insult it adds to the serious injuries inflicted on them.

If the present were an ordinary war, which, like former ones, might be ended by the transfer of a Sugar island to one side or the other, the wishes at least of a sound American politician would certainly be against us. The balance of power by land interests him no farther, than as it may ultimately affect the balance by sea: in the latter he is deeply interested, and much of the merit of our just complaints against the usurpations of France on the Continent, must be lost on him, when the sufferings of his own country convince him, that the abuse of absolute power is inseparable from its existence. During a considerable period of the last and present war, we have indeed respected the rights of those not concerned in it; but the conduct even of France, can furnish few stronger proofs of a disregard of them, and of more frivolous pretences by which they have been invaded, than may be found in our conduct in 1805, and still more in the recent measures which we have been considering.

Still, however, an American, who can take a just view of the state of Europe and the true interests of his country, must feel extremely reluctant to be forced into a war with us: He must be aware that the contest is really for our existence; that the conquest of this country, if not followed by that of his own, must irretrievably destroy that balance, on which his right to treat with the nations of Europe, as with equals, must depend. The decrees of the Lords of the ocean may be unjust and oppressive, but they are still mild, when contrasted with the mere *sic volo* which would issue from the court of the universal sovereign of both elements. It must also occur to him that the very great naval preponderance of this country cannot be lasting; that it would not even be required if our existence did not depend upon it; and that our situation and disposition forbid the possibility of

European aggrandizement ; but that, on the contrary, the system of universal dominion, now contended for by our enemy, if once firmly established, has every prospect of permanency. In such a war, therefore, America would be fighting against her most decided interest, and any success she might obtain would, in proportion to its importance, by destroying with her own hands the rampart that protects her, accelerate her own ruin.

I believe these opinions prevail very generally with all thinking men in America, and although the popular prejudices of those who do not think, which in all countries are in favour of novelty and violence, may, through our errors, carry their country with spirit into the war, it will be a subject of deep and sincere regret to those who are capable of sober reflection. I believe that America, by fair and proper treatment, and by care on our part to avoid all cause of popular irritation, might have been induced to consent to such sacrifices as our safety really required. The crooked policy of pleading a right which we had not, instead of necessity, has induced them to judge our conduct by the former test, where it has been found wanting, and to neglect the latter consideration, to which we have never called their attention. It might not indeed be easy to make them understand what urgent means of defence or of annoyance could arise to us, by stopping their trade in sugar and coffee, and still less that in the produce of their own soil, or from gratifying at their expense the senseless, and to them insulting clamour of our West-India merchants, to exclude them from markets to which we could not go ourselves. In estimating the value to us of such sacrifices, the American, acquainted with the commerce of his country, not only would not discover the necessity which justified the demand, but must see the injury, even to ourselves, that must result from consenting to it*.

* While the tenacious disposition of the American Government, respecting maritime rights, is unjustly complained of, they, who think she should make allowance for our particular situation, use the strongest arguments in favour of that tenacity which they condemn. The author of *War in Disguise* concludes, that neutrals admit as lawful every violation of their rights, which they do not resent by war. "The neutral powers have all assented to the rule of the war of 1756 in point of principle, by submitting to its partial application;" and the preamble to the Orders in Council, denouncing the heavy penalty incurred by "acquiescence of neutrals in a violation of their rights," shows sufficiently the necessity of a punctilious attention to trifling invasions.

Many speculative opinions have lately been published on the character and dispositions of the people of America, upon which corresponding predictions of their conduct have been founded ; by some they are considered as hostile to us, while others tell us of the conflicting efforts of an English and a French party. A residence of some years in that country will perhaps justify me in hazarding an opinion on a subject not unimportant in our present situation.

There are undoubtedly in America many people who entertain a decided partiality for this country, and for a close political connexion with it. There are others, on the contrary, with equally decided antipathies against us. Both these classes are principally composed of naturalized Europeans, who are very numerous, and are the great political agitators of the country. The emigrations from England are principally owing to necessity or discontent, inseparable from an overflowing population ; and those much more numerous from Ireland, where we have unfortunately not yet discovered the secret of making the great mass of the people love the Government under which they live, carry with them their hatred, which bursts out into increased violence from the absence of restraint.

But although the opposite opinions of these two classes fill the public newspapers with every species of extravagance *, the real Americans, who have never been out of their own country, take little part in them, and their views of policy are generally governed by their opinions of its true interest, without caring otherwise much about what is passing in Europe. If there be any

* Complaints of the licentiousness of the American press come with a very ill grace from this country, and it would not be easy to reconcile the indignation expressed in "War in Disguise" at those "false and incendiary paragraphs, by which England, in spite of her extreme indulgence, is insulted" in America, p. 189. with the increased indignation with which, speaking of Bonaparte, p. 222, it is asked, "Had he not even the audacity to remonstrate to His Majesty's Government, against the freedom of our newspapers, and to demand that our press should be restrained?" This contradiction sufficiently shows, with what a different temper, a country, like an individual, is the author or the object of abuse, and I must confess that I can see no injury, but on the contrary, much good that might have resulted from a proper and constitutional attention to this *audacious* remonstrance.

bias, it is probably in our favour, the sympathy naturally arising from language, manners, and a common extraction, is shown in a decided preference to us as individuals. " Dans toute la partie de l'Amérique que j'ai parcourue," says Mons. Talleyrand, " je n'ai pas trouvé un seul Anglais qui ne se trouvât Américain, pas un seul Français qui ne se trouvât étranger." The study of the same authors, the existence of the same laws, ensures a general respect and regard for this country, inseparable from similar feelings towards themselves; and perhaps these circumstances might have been improved for political purposes, if we had not, since the existence of the independent Government of America, treated it with a studied and repugnant *hauteur*.

We have, upon the whole, every occasion to expect that the political conduct of America on this occasion, will be purely American; and it is to be feared, perhaps, that in resenting the injuries which she has sustained, her respect for the power of this country will rather lead her to undervalue our dangers in the contest in which we are engaged. It is not surprising that no high opinion of the power of France should be entertained in a country where her flag is seldom seen, but in the humiliating state of flying for shelter from an inferior enemy.

To the numbers which may go against us from policy, many may certainly be added from resentment for personal sufferings, especially in the sea-ports. It would probably be no exaggeration to say, that upwards of three-fourths of all the merchants, seamen, &c. engaged in commerce or navigation in America, have, at some time or other, suffered from acts of our cruisers, which to them have appeared unjust, and which frequently must have been so. The unfriendly disposition of American captains, seamen, &c. therefore, though by no means universal, is easily accounted for. People of that description are not likely to understand the danger to be apprehended from distant consequences, which, in all republican governments, are doomed to give way to more immediate impressions and sensations; they read, it is true, of the power of France, but they feel every day that of Britam.

Among those Americans who are really disposed to study the interest of their country, different opinions have prevailed of the value of foreign commerce. The people of New-England, and of the North, are generally desirous of giving the greatest possi-

ble extent to it; while those of the South and West are in favour of an opinion, that it is only valuable in as far as it assists agriculture, by exchanging the superfluous produce of the farmer for those of foreign countries; and that the large fortunes accumulated in the commercial towns by merchants engaged in direct foreign trade, are rather an injury than a benefit to the country. The state of Virginia, in particular, has acted systematically upon this opinion, and the Legislature, by refusing to charter banks and other commercial establishments, has, without any avowal of a positive system, given every discouragement to commerce; and the consequence has been, that the trade of that state, and North Carolina, is principally confined to the export of their own produce*.

One of the principal supporters of this system is Mr Randolph, whose speech in Congress has been eagerly circulated in this country with very mistaken ideas of his views and opinions, which are in general unfriendly to us, or rather to that predilection for commerce which he considers to be in a great degree owing to the connexion and intercourse with us. The principles of this gentleman and his followers, who are numerous and respectable, are, that encouragement should alone be given to the trade in the productions of their own soil, and that no other commerce should be maintained against any foreign power at the risk of war. This, like all other systems, is by many carried to an absurd extreme. We should probably judge it unfairly by any European standard; but it could not be found wanting in plausibility, at least by those who are acquainted with the simple character of the political institutions of America, and who must be aware how much the preservation of that character of perfect equality must depend on an equality of fortunes, which commerce has a direct tendency to destroy.

We are told, that this difference of opinion between what is called the agricultural and commercial interests in America,

* The following statement of the value of the exports of foreign and domestic produce from the States of Massachusetts, Virginia, and North Carolina, for the year 1805, will show this consequence more clearly:

	<i>Of Domestic Produce.</i>	<i>Of Foreign Produce.</i>
Massachusetts exported	£1,280,000	£3,080,000
Virginia	1,112,000	148,000
North Carolina	172,000	2,800

will always prevent her from engaging in any war with that unanimity necessary to render it successful. This must of course, be a very speculative question. I am, on the contrary, disposed to entertain a high opinion of the public spirit of America, and to expect the vigorous co-operation of every part of the union in any foreign war, when once undertaken ; the quarrels of political parties in Congress can with as little justice be relied upon, as indications of the contrary, as our own party disputes would justify any inference unfavourable to our universal resistance against external enemies.

I see no benefit that Great-Britain could derive from the dissolution of the present Federal Government in America, but, on the contrary, every reason to think that no other state of that country would be equally favourable to us. The constitution of the United States ensures to the world a general adherence to a system of peace ; for although it might be found sufficient for defensive war, it is evidently not calculated for the support of large naval and military establishments, which views of ambition would require. Any division of the countries would also produce a partial compression of the population in particular districts, which, being now spread over an immense extent, must long make it their interest to import their manufactures from Europe.

Expectations, therefore, of a dissolution of the union by war, are founded as little in probability as in sound policy. But if any reliance is placed by our Government on the dissensions in that country, the most effectual step has certainly been taken to prevent them ; and the American patriot will probably see with pleasure, that if he must have war, the provocation is of a nature to unite every prejudice, and every real interest of his country. By attempting to confine the European trade of America to Great-Britain, and by the avowal of an intention to tax that trade on its passage to the continent, we are returning to those principles to which, even as a colony, she would not submit. It is immaterial, whether it be a tax on stamps or on cotton : this question has already been the subject of a long and bloody war, and it can hardly be supposed that America will now submit to a direct attack on her sovereign and independent rights.

For the question of our right to search merchant ships for our seamen, provided a proper apology were made for the attack on

their ship of war, I believe few Americans would be disposed to go to war.

Even the assertion of the rule of 1756, if it had been brought forward early in the war, before America had fitted out an immense commercial marine; if it had been equally enforced against other neutral powers; and if effectual means had been devised to secure from molestation their accustomed peace trade; would have left a very large portion of the American people averse to war.

But the vigorous framers of our Orders in Council, disdaining the benefits which might be derived from disuniting their enemy, have, by devoting to the same indiscriminate destruction the interest of the farmer, of the merchant, and of every description of persons, taken effectual care to prevent that disunion, which their advocates affect to expect.

The Americans, interested in the commerce in foreign productions, will see it destroyed by measures, which equally deprive the agriculturer of a market for his produce. That the permission given by us to re-export it from our great emporium to the Continent of Europe, must be nugatory, and that acquiescence on the part of America, in the usurpations of this country, must produce war with France, are circumstances of which little doubt could be entertained, before we were told so by the Paris newspapers. Great, therefore, as is our naval power, the produce of America will, perhaps, find a foreign market, as easily in opposition to our warfare, as through the means that might be expected from peace upon the terms we offer.

War, then, there is every reason to apprehend, must be the infallible consequence of these measures; and perhaps of all the foolish and impolitic wars recorded in history, not one could be found to equal this, nor any two nations whose manifest policy more decidedly pointed to a system of peace and good understanding. It would be a difficult task to decide upon the various estimates which have been formed of the comparative disadvantages to Great-Britain and America; but so far is certain, that it must be a great and unqualified injury to both, and a most decided and permanent benefit to our great enemy, who, forming an opinion widely differing from ours, of the consequences of the increasing wealth and commerce of America, feels almost as great an interest in their destruction, as in that of the commerce of any county of England; nor can he fail to feel a malicious sa-

atisfaction in seeing this work of self-destruction performed with our own hands*.

The comprehensive nature of the injury which America must suffer from our system, by leaving no class of its population unaffected by it, affords little hope of the interference of any for the preservation of peace. The great interest which a country, still possessing the means of independence, should feel in the preservation of ours, will be lost in the more immediate and perceptible consequences of our own folly and injustice.

It is, however, to be hoped, that an interest and a policy so obvious to America, will not be lost sight of by true friends to their country, and that, on our part, by an early discovery of our errors, which it can take but a short time to make, both countries may again return to that union and good understanding which, although I fear beyond immediate recovery, may by temper and moderation be hereafter restored.

THE circumstances, which have been examined in detail, will, I hope, satisfy the reader, that the system of hostility, recommended and practised towards the commerce of America, and which has, at last, been carried by the Orders of Council to such an extreme, as to bring us to the eve of war, cannot be justified by any pretended disposition on the part of that country to encroach on our just rights; or to undermine our power at this very critical period. Had a doubt remained on this point, it would indeed have been idle to have entered into any estimate of commercial consequences; not only because the high and undaunted

* The opinions of France on this subject may be correctly ascertained by a perusal of the *Memoire sur les Relations Commerciales des Etats Unis avec l'Angleterre*, by Mons. Talleyrand, read at the National Institute in 1796. The whole of this memoire is highly interesting at the present moment, not only from the important situation of the author, whose intentions at the time of publication could be liable to no suspicion, but from its general merit. Those who are acquainted with America will not fail to recognize in this small publication, a more correct and profound knowledge of that country, and its commercial relations, than in all the volumes of the numerous travellers who have described it. It should make us more than commonly cautious in our treatment of America, when we reflect how much our adversary is at home with this subject.

character of our country is the most precious treasure which we have to preserve, and the best guardian of our safety ; but because submission from such motives would have tempted a repetition of pretensions, that must have ended at last in the war which we wanted to avoid.

It must, on the contrary, be evident from the whole tenour of our proceedings, that commercial interest has been our moving principle throughout ; that every demonstration of the slightest hostility on the other side has originated in our attempts to advance that interest, by violating the rights and interests of others ; and that if we are at last called upon to take up arms, it is on our part a quarrel *about* sugar and coffee, and not in support of national honour

I shall now, therefore, examine the correctness of our calculation on this occasion as merchants, which will be best done by supposing, in the first instance, that our measures do not produce war with America, but that they have, on the contrary, the consent and co-operation of that country. I shall afterwards shortly allude to the more obvious consequences of a state of actual war ; but it is important first to show, that, even under the most favourable circumstances, our new system must be eminently mischievous.

It has been justly observed by many authors as a singular circumstance, that the conduct of most statesmen, who, unfortunately for our commerce, have made it their peculiar care, has been directly opposed to the generally received axioms of political economy ; and that although every writer would in our days deprecate the interfering regulations of bounties and monopolies, and the busy meddling of those, who think they can settle artificially the many complicated relations between the industrious classes of a state ; yet such has been the temptation to try some favourite experiment, and such is the opinion of their own abilities, which people are naturally disposed to entertain, that a justification is easily found in their own minds for that deviation from sound and established maxims, which in others they would be the first to disapprove. The only beneficial care a Government can take of commerce, is to afford it general protection in time of war, to remove by treaties the restrictions of foreign Governments in time of peace, and cautiously to abstain from any, however plausible, of their own creating. If every law of regulation, either of internal or external trade, were repealed, with the exception

of those necessary for the collection of revenue, it would be an undoubted benefit to commerce, as well as to the community at large. An avowed system of leaving things to take their own course, and of not listening to the interested solicitations of one class or another for relief, whenever the imprudence of speculation has occasioned losses, would, sooner than any artificial remedy, re-produce that equilibrium of demand and supply, which the ardor of gain will frequently derange, but which the same cause, when left alone, will as infallibly restore.

The interference of the political regulator in these cases, is not only a certain injury to other classes of the community, but generally so to that, in whose favour it is exercised. If too much sugar be manufactured in Jamaica, or too much cotton in Manchester, the loss of those concerned will soon correct the mischief; but if forced means are devised to provide for the former a temporary increase of demand, which cannot be permanently secured, a recurrence to that natural state of fair profit, which is most to be desired by the planter, is artificially prevented by the very means intended for his relief. And if the cotton manufacturer, on the other hand, is to have his imprudences relieved, at the expense of those employed on linen, silk, wool, or other materials, the injustice as well as impolicy of such a remedy need no illustration.

There is nothing new in these opinions. They are those of every writer on political economy: They have the assent of all who talk on the subject; and it would have been useless to repeat them, but that they are in direct opposition to the general conduct of our Government, and are, more immediately and extensively than ever, violated by the new system we are considering. Whenever the assistance of Government is called for by any class of traders or manufacturers, it is usual to make the most splendid display of the importance of that particular branch to the nation at large. The West and East-India interests, the ship owners, the manufacturers, the American merchants, have all the means of making these brilliant representations; but it should be recollected, that the interest of the state consists in the prosperity of the whole, that it is contrary to sound policy to advance one beyond its natural means, and still more to do so at the expense of the others; and the only mode of ascertaining the natural limits of each is, to leave them all alone. Our West-India plant-

ers supply us with their produce to the full extent of our wants; but, say they,—“if you will go to war with the Americans, who are the principal consumers of your domestic manufactures, and furnishers of the raw materials for them, we shall raise sugar and coffee for the whole continent of Europe, and we will prove to you from the custom-house returns, that the benefit to be derived from the increase of our plantations will more than compensate any loss the interruption of your intercourse with America can produce.” Supposing the planters could prove their position, in which, however, they are totally mistaken, would it thence follow, that it would be for the interest of the state, to increase to an enormous extent the manufacture of sugar by slaves in the West-Indies, at the expense of those carried on by our own people, on the produce principally of our own soil? The necessity which the planters would in this instance be under to have recourse to the interference of power, would, without further examination, sufficiently prove, that they are themselves as much deceived, as we should be in listening to them.

The effect of power must necessarily be temporary; we cannot continue eternally at war with America, nor keep the produce of the foreign colonies for ever locked up. The reaction, therefore, from this forced state of things, when the pressure of power is removed, must inevitably produce that general distress which they, who derange by poisonous nostrums the healthful state of the general economy of a nation, must both expect and deserve.

If it were not an undoubted fact, that our present measures have originated principally, if not wholly, in the persevering representations of the West-India interest, I should confine myself to these general observations on this part of my subject; but as there are still advocates, (in practice at least,) for measuring out in a privy council how many people shall be employed in making sugar, how many in making cloth, or in agriculture, I shall examine, shortly the narrower ground of apparent interest, which is even as singularly adverse to the present measures as the more comprehensive and liberal considerations of policy.

This inquiry will be rendered more intelligible, by introducing here an explanation of the nature and extent of the commercial intercourse of America with Great-Britain, and with other parts of the world. The origin of the independent commerce of that

country, and the counsel which it had taken during this and the last war, have been already stated; the whole subject will now be better explained by figures.

The last report to Congress, on the 6th of November, 1807, of the state of the finances for the preceding year, although it gives simply a statement of articles consumed in the country, and not of those re-exported, justifies, when we compare it with former returns, the estimate of the importations of the produce and manufactures of Great-Britain, at about ten millions sterling, which agrees also with the calculations on this side, although, from the mode of entry in both countries, they are liable to error.

It becomes interesting to consider what proportion our trade with America bears to that of other countries, that we may form some idea of the benefits to be derived from the establishment of independent colonies, and from the neutral state of those colonies, if they may still be called so, in times of war. As there is a disposition to value highly the commercial benefits of our enemies, and to consider them as losses to ourselves, I shall also endeavour to show what they are when compared with our own. Such an estimate will give a general insight into the whole subject, and I am able to give it correctly from a very clear report made to Congress in 1806, previously to the passing of the Non-Importation Act. This return is of the average of the three years, 1802, 1803, and 1804. The whole scale of imports and exports have since increased, but there is no reason to suppose the proportions have varied. The figures I shall state in round sums and in English money, taking the dollars at 4s. 6d.

The amount of annual importation into the United States from all parts of the world, was £16,950,000

Of which, including their respective Colonies,

From the dominions of Great-Britain,	8,093,000
Holland, France, Spain, and Italy,	5,731,000
Northern Powers, Prussia, and Germany,	1,596,000
Portugal,	249,000
China, and other native powers of Asia,	1,093,000
All other Countries,	188,000

£16,950,000

The value of the importations from the dominions of Great-Britain was therefore equal to that from all the countries of Europe and their colonies together, including the sugar and coffee for their own consumption, and for exportation, which are almost exclusively furnished by those colonies.

Of this value imported, manufactures of cotton, wool, silk, leather, glass, iron, paper, &c. constituted about \$9,000,000, and came from the following countries:

The dominions of Great-Britain,	16,845,000
Russia,	280,000
Germany, Sweden, and Denmark,	550,000
Holland,	255,000
France,	275,000
Spain, Portugal, and Italy,	270,000
China,	525,000
	<hr/>
	19,000,000

Thus we see, that notwithstanding European manufactured articles are admitted from all countries at the same rate of duties, and although the balance of trade is in favour of America with the Continent, and against her with this country, yet that France does not furnish one twenty-fourth part, and all Europe collectively not one-fourth part of the amount imported from this country.

The exports from America, on an average of the same years, amounted to

Of which, in domestic produce,	9,000,000
In foreign produce re-exported,	6,400,000

They were distributed in the following manner:

To the dominions of Great-Britain,	15,200,000
Viz. In Europe,	13,525,000
Asia,	29,000
The West-Indies,	1,458,000
North-America,	188,000
To the dominions of all the other European Powers,	10,200,000
	<hr/>
	115,400,000

The balance which this statement would leave against America, must arise from the mode of stating the accounts. Probably it is in her favour, but not much, as her demand for European articles will naturally be regulated by her means of paying for them.

The foreign produce re-exported, amounting to 16,400,000, consisted of the following articles, viz.

Manufactured Goods,	12,200,000
Coffee,	1,695,000
Sugar,	1,300,000
All other articles,	1,205,000
	<hr/>
	16,400,000
	<hr/>

The chief article, therefore, of re-exportation, and of indirect trade, is the manufactures of Europe, three-fourths of which, it has been shown, are from this country, and thus find their way to different parts of the world to which we have no access.

From Great-Britain and her dependencies we have

seen, that America imports the value of	18,093,000
That she exports to them,	5,200,000
	<hr/>

Leaving a balance in our favour of	12,893,000
	<hr/>

which must be paid to us by the continent of Europe from the proceeds of consignments from America to Holland, France, Spain, Italy, &c. and which we know to be the case by the large remittances received from those countries for American account. If America were excluded from all communication with the continent of Europe, she would not have the means of paying this surplus, but would be forced to confine her demand for our articles to what our consumption of her own would enable her to pay for.

This balance of debt to us, which America pays from her intercourse with the continent, and which is calculated on the average of three years, ending in 1804, must now be estimated

much higher. In the first place, our exports are considerably increased, and for the sale of a great portion of the articles imported from thence we rely on foreign markets, which we are no longer able to procure :—Upwards of one half of the tobacco we import is re-exported, as must necessarily be nearly all the articles not the growth of America, which cannot be imported for home consumption. It should also be observed, that the three years above-mentioned included one of extraordinary scarcity in this country, during which our importation of provisions was unusually large ; so that, upon the whole, it would probably be no exaggeration to say, that we should draw from the continent of Europe between four and five millions sterling annually, in return for the manufactures sent to America, and for which that country has no other means of payment.

In comparing the relative advantages of our American with our West-Indian commerce, although I am by no means inclined to undervalue the latter, it may be well to point out to those who may be disposed to make nice, though not always correct, distinctions, that in the manufactures exported to America there is a much greater value in labour and less of materials, than in the same amount sent to the West-Indies. In one country, we principally provide for the luxuries of the wealthy ; in the other the coarse clothing and implements of slaves. If, on the other hand, we compare the returns we receive, we shall find that the West-Indies furnish us with luxuries, which, when wasted, leave no permanent wealth behind ; but that America sends us first money, which gives us the power of commanding with it what we please ; and secondly, articles essential to those manufactures, for which she is so good a customer. The following is a statement of the quantity of cotton imported into the ports of London, Liverpool, and Glasgow, from different parts of the world for the last year, ending the 31st of December, 1807 :

	<i>Bags.</i>
From the United States of America	171,267
The British West-Indies	28,969
The Colonies conquered from the Dutch	43,651
Portugal	18,981
East-Indies	11,409
All other parts	8,390

Bags 282,667

Of the whole annual importation, therefore, America has furnished about five-eighths. The average importation into Great-Britain of the last ten years, has been only 219,000 bags ; and as that of the present year certainly exceeds our consumption, she may be said to supply us with three-fourths of the latter. The 18,981 bags, furnished by the Brazils, are only equal to 6,950 from America ; the bags of the former weighing, on an average, only 110 *lbs.* and the latter 300 *lbs.* It is said, that about 140,000 bags were annually imported from the Brazils into Portugal ; but if they were now all sent here, they would, by the same proportion, only amount to 51,330 bags of 300 *lbs.* and consequently not to one-third of the quantity received from America. There certainly can in no event be any apprehension of want of cotton ; no article is more generally or more easily produced in all warm climates ; the increased cultivation in the United States proves that it can be afforded there at the cheapest rate, and we cannot procure it with more advantage than from a country which takes the same article back in a manufactured state, probably to the full value of the raw material which she furnishes.

The other principal articles which we receive from the United States are, tobacco, wheat and flour, rice, pot and pearl-ashes, boards, timber, &c. pitch and tar, flax-seed, hides, &c. ; all, with the exception of tobacco, necessary for our food, or for our manufactures, and some of them particularly so during our misunderstanding with Russia, and of which the supply from America might be extensively increased.

It is impossible to conceive, upon the whole, a commercial intercourse more interesting and important in every point of view, or less deserving of being sacrificed to any other ; at the same time that it has the advantage not only of not injuring any other branch, when properly understood, but of contributing materially to the prosperity of all. The extent of the demand of America for our manufactures has no other limits than her means of paying for them ; and as those means are increasing, and must continue to increase yearly, that state of gradual and steady progression, so desirable for every part of the industry of a country, is naturally produced. If the accumulation of wealth from the advantages of a state of neutrality, during the present war, have produced a sudden demand beyond what may permanently be expected, it is precisely at a period when it is rendered more necessary to us by the loss of our trade with other countries.

But it may be said, that although the value of the direct trade with America be admitted, we derive no benefit from that carried on by her with other parts of the world. In the first place, we have seen that our manufactures form a principal article of her trade with other countries, which an undisturbed intercourse with them enables her to introduce. We have also seen that, as our consumption of her produce does not much exceed one half of her demand for ours, she has no possible means of continuing that demand but by earning the money to pay us from the dominions of our enemies. No country can carry on with another a trade, of which the balance is very unfavourable, without compensating itself by a favourable balance from other branches of its foreign intercourse. In this manner America is enabled by her trade with foreign Europe to carry on that with us on terms so disadvantageous, and we, on the other hand, by our favourable balance with America, are enabled to meet the very unfavourable one of our intercourse with Russia, Portugal, and other parts of Europe. A minute examination of this subject, which my limits will not permit, would make it more clear, and we should see what an important figure the favourable balance with America makes, in the general scale of our foreign commerce.

In speaking of the balance of trade, a subject of so much abuse and false theory, I need hardly disclaim any wish to interfere for its support or regulation. I am not explaining the advantages of American commerce, for the purpose of recommending its forced extension, which I should be the first to deprecate; and, if I have followed the example of others in making a display of the advantages which we derive from it, it is solely for defensive and not for offensive purposes.

The general interest, which we have in the increased wealth of the people of America, may be enumerated among the benefits derived by us from her indirect commerce. Most articles supplied by us are luxuries, the consumption of which depends very much on the wealth of the country. The poorer classes of farmers there make their own clothing from the coarse woollen stuffs of domestic manufacture; but the dress of the more opulent, and the furniture of their houses, which vary of course according to their means, are almost exclusively from this country: we derive, therefore, a direct advantage from that general prosperity, which every consideration of policy, as well as every liberal feeling, should induce us to see with satisfaction.

Estimates of the relative benefits to countries, from their mutual intercourse, are generally more specious than just. Ours with America is certainly highly valuable to her. It is for her interest not to encourage manufactures, but to buy them from those who can sell them cheapest, and in return give the best price for the produce of her soil. If any distinction can be made, it must arise from an artificial, and not from a natural state of things; and we are certainly, in this respect, more interested than any other country in the existence of commerce; because our strength and means of defence are intimately connected with its support.—It must be admitted, that the Government of America has always had the good sense to see this subject in its proper light, and to refrain from a petty commercial warfare of duties, the common resort of those politicians who have more cunning than sense. The duty on our manufactures, which is the same as upon those of all other countries, is lower than in almost any part of Europe, where they were formerly admitted. The principal articles pay only $12\frac{1}{2}$ per cent. while upwards of 30 per cent. is charged in Russia, and 40 in Portugal. With both these countries, however, we have for some time carried on a commerce, of which the balance has been against us, and no just cause could therefore be assigned for checking by high duties the consumption of our manufactures.

It appears from the public papers, that by the temporary regulations of our intercourse with the Brazils, these high duties are to be continued there, at least for the present. Without knowing more of that country than we at present do, it is impossible to determine whether the imposition of 40 per cent. will materially affect the consumption; but if our commercial treaties with Portugal are to be held up, as they have been, to the admiration of statesmen, we cannot fail to admit the liberal policy of America towards the produce of our industry, when we consider the large balance which she has annually to pay us, and our illiberal jealousy of her intercourse with other countries, from which alone that balance can be derived.

Although the probable emancipation of the Brazils from its colonial state, which the removal of the Court of Portugal promises, has little connexion with my subject, I cannot avoid observing the singular disposition of the public to entertain extravagant expectations from this event, in which they must inevitably be

disappointed, and to grasp eagerly at a shadow, while the substantial benefits, which we actually enjoy from the maturity of an Empire planted by ourselves, are studiously undervalued. I by no means intend to deny, that we may not reasonably expect some immediate, and more future benefits from this event; nor is France, in my opinion, mistaken in forming the same expectations. An increase of civilization, of industry, and of a free circulation of intercourse, whether promoted in Siberia or South America, is a general advantage to all the world. Of all monopolies, that of the great works of our Creator is the most odious; and it must interest every feeling mind to see so large and so fine a portion of the globe at last opened to the free inspection and examination of mankind. The industrious individuals of all countries will also derive advantages from the rapid progress, which this new nation, if liberally and properly administered, must make: but the immediate benefit to our manufacturers and shopkeepers is certainly over-valued; and if the exaggerated opinions, which may have been imprudently circulated from political motives, be acted upon, losses, similar to those produced by the bubble of Buenos Ayres, must be the consequence.

Without entering deeply into this subject, I shall confine my efforts to destroy this illusion, to the few observations which follow.

As we have hitherto principally supplied the Brazils with manufactured articles, the shops of Rio Janeiro will be found as full of them as those of Lisbon. For the present, our only gain will be, that we have not lost the whole of the amount of our exports to Portugal. No new channel is therefore opened, but we have prevented an old one from being totally stopped. An increased general consumption must be the work of time, and cannot be produced by the act of any government. Although the resources of so rich a country may hereafter improve, the articles which it can now export are principally the same as are produced in our West-India colonies, and of the home consumption of which, under our present system, those colonies must have the monopoly. Neither the Brazils, nor any country cultivated by slaves, can ever, as some people seem to expect, furnish corn, provisions, or even common lumber, for the West-Indies, or any other part of the world; and I fear I may hazard another opinion, that this same cause of a mixed population will for ever pre-

vent that civilized state, which habits of industry and morality can alone produce.

This digression has been carried far enough to show, that this popular novelty could, in no event, afford a compensation for a sacrifice of the advantages which we derive from our commercial intercourse with the United States.

The present state of the New World is a complete proof of the error which the first discoverers made in preferring, as we should have done in a similar situation, and as, with the experience before us, we should certainly again do, the regions of gold and silver to the iron coast and rocky soil of New-England. We now find that the industry of man is a treasure which must prevail over every other; and that the colony, planted in a soil comparatively poor, by the magic of that industry, has become more useful to the parent state, by ultimately pouring into the lap of its industrious population a larger portion of those precious metals, than all the mines of the Spanish and Portuguese colonists have enabled them to corrupt and enervate their deluded countries with.

From the examination which we have concluded of the nature and extent of the commerce of America, the following consequences are obvious:—First, that it is for our interest to promote the consumption of the produce of the soil of America in all parts of the world, and that three-fourths of the money proceeding from that consumption on the continent of Europe, are paid to us: secondly, that we are also interested in the indirect trade of America, and that articles of our own manufacture are the principal objects of it: and lastly, that every dictate of sound policy should lead us to see with pleasure the prosperity of a country, whose accumulating wealth contributes in various ways most essentially to our own.

Now supposing the most friendly conduct on the part of America; that she admits the justice of our Orders in Council, and that she goes to war, as she then must do, with the remainder of the world by yielding to them; the consequences to herself have been considered, but how should we be affected? We should first lose that dispersion of our manufactures through the channel of America, which now exists; and secondly, her own consumption of them must be reduced to one half of its present extent, by her inability to pay for more; besides that, the distress produced throughout the country by the want of demand

for her domestic produce, would incapacitate her from paying her present debts.

In this, now only remaining branch of our foreign commerce, our losses and sacrifices must be therefore undeniably great, from the execution of our system, under the most favourable circumstances; but before I proceed to inquire for the counter-vailing advantages in other quarters, I shall point out another danger, which appears to me very serious, arising from the consequences to our foreign exchanges, and to our circulation of paper money.

A principal danger from sudden and forced changes, produced by the interference of Government in commercial affairs, arises from the difficulty and almost impossibility of tracing its extensive consequences and ramifications through the whole economy of a nation: for, although in the present instance, the decay of our manufactures is the most conspicuous consequence, another evil, of a most serious nature, presents itself.

I have shown, that even supposing the cordial co-operation of America in the execution of the Orders in Council, there would be a diminution of our receipts from the Continent of four or five millions sterling. The moderate state of our foreign exchanges for some time past shows, how much we want this large aid, which our American connexion indirectly afforded; and every merchant connected with America knows, that this demand alone for bills on London, which has prevailed in every part of the Continent, has for a long time supported the exchange, the circulation of which, even between Paris and London, all the vigilance of the enemy has not been able to prevent. In this manner we have paid to a considerable extent, for the support of our fleets and armies in the Mediterranean and the Baltic*, by sending our manufactures to America; a circumstance which must be easily understood by those who know the effect of the general circulation of exchanges, and that bills are frequently drawn in Paris, or Madrid, whilst the real transaction in merchandise, which gave rise to them, may have taken place in Russia or in India. Is it probable that this great defalcation

* Bills drawn by our Commissaries in the Mediterranean on the Treasury, to a large amount, are frequently received from Leghorn, and other ports, for American account.

will be made up in any other quarter? The only part of the Continent with which (to judge from present appearances) we have a chance of direct or indirect trade, is Russia; but with that country, the balance in the best times is against us, and this intercourse would rather increase than correct the evil.

We shall be much misled in this dilemma, if we look for any comfort to the speculations of those who encourage us to despise the advantages of foreign commerce. Mr. Spence himself would tell us, that it would be necessary to put a stop to our imports before we are indifferent about providing a corresponding value of exports. But is it possible for us to get rid of our wants in different parts of Europe? Wine, brandy, and many other luxuries, we could certainly do without, but naval stores must be had, and the want of wool, flax, iron, silk, and other articles, for our manufactures, would produce a general distress of incalculable extent. But supposing even that we could perfectly dispense with all these articles, or that we were able to circulate on the continent a sufficient quantity of our own to pay for them, we should still have a large sum to provide: for foreign subsidies or expeditions; for silver for India and China; a demand which will be much increased, and be rendered very pressing by an American war; for our fleets in the Mediterranean, and garrisons of Malta, Gibraltar, &c.; for it has the same effect on the Exchange, whether the commissary draws his bill on the coast of Barbary, or the coast of France; also for interest on public stock held by foreigners, amounting annually to £.700,000*; and for the produce of the Dutch colonies sold here, but belonging to residents in Holland.

Trade, when left alone, will always accommodate itself to the varying balances of different countries with each other, provided they have all the same circulating medium of the precious metals. If, on the continent, the exchange in London is very high, the demand for British manufactures and colonial produce is checked; similar articles can be furnished cheaper elsewhere; if, on the contrary, it falls, the demand is again promoted; and in this manner, although the country possessing the most commercial advantages will draw the greatest portion of gold and sil-

* According to a return made to the House of Commons, the interest of public stock amounted to £. 630,000, the remaining £. 70,000 are added for Bank and India stock not included in the return.

ver, the poorer will avoid being totally drained by the natural tendency of trade to proportion the consumption of foreign articles to the means of paying for them.

But when the arm of power interferes, and deprives us at a blow of four or five millions sterling, which the industry of our manufacturers, if left to themselves, would have procured for us ; at the same time that political causes prevent that corresponding contraction of our wants abroad, which it would otherwise be hardly possible to produce so suddenly as to meet the exigency. The consequences of such a shock demand the most serious consideration, but more especially when applied to a country standing in the singular predicament of abandoning the general medium of circulation, gold and silver, for paper, which is of no value beyond its own limits.

As long as our system of finance and commerce is in such an artificial state, and we have to provide for an annual expenditure of seventy millions sterling, it is impossible that the precious metals, which have not increased in quantity in proportion to the depreciation of our nominal money, should furnish us the means of circulation.

Now, though in countries in a natural state, the balance of trade needs no regulator, yet our particular situation certainly requires that all commercial questions should be considered with reference to the necessity we are under to resort to the circulation of paper ; and in this respect, the consequences of a measure, like the present, which must, under the most favourable circumstances, deprive us of four or five millions towards our annual balance with the rest of the world, deserves mature consideration.

It would be useless to point out the universal ruin, and the total revolution in all the fortunes of individuals, if our paper should suffer any depreciation, that is, if we become unable to procure for it the real amount of the circulating medium of the world, which our paper nominally represents. Now it appears to me that this danger is more to be apprehended from an unfavourable state of our foreign exchanges, produced by an unfavourable balance of trade, than people seem generally aware of. To examine this question as minutely as its importance deserves, would take me too far from my subject ; but at the same time it is perfectly consistent with it shortly to notice one of the most important evils, to which the measures we are discussing may lead.

The value of a bank-note certainly depends on the ability to command with it the quantity of gold and silver, which it represents ; if the laws enable you to command it from the person issuing the note, there can be no fear of depreciation ; if they do not, the only remaining reliance is, that foreign commerce will draw into our country the circulating medium of the rest of the world, or at least call for none of ours to satisfy debts abroad, and for which our paper would be of no value. It is in short immaterial whether the value of the note can be got at by compulsion, or by the high value which our paper acquires by a favourable balance of trade. The latter has fortunately been the case in this country since the former ceased ; our paper pound would always command a proper proportion of the livres and florins of the Continent ; but if this should cease to be the case, all the caution and all the confidence possible could not save our paper from depreciation. A pound sterling, and a pound Tournois, would soon be of equal value, if no more gold or silver could be commanded with the one than with the other.

IN inquiring for the supposed benefits to be expected from the extinction of the only remaining neutral commerce, we are naturally first directed to our West-India colonies ; not by any rational analogy, but by the unremitting zeal of those concerned in them in misleading the public, both as to their own immediate interest and that of the country at large.

I feel myself relieved from the necessity of any extensive examination of the causes of the distress experienced by our West-India colonists, by the very able publications which have lately appeared on this subject. After the numerous writers at home, the colonial legislatures, and, I am sorry to add, a committee of the House of Commons, had for a long time concurred in ascribing this distress to high duties at home, and to the monopoly of the markets of the continent by neutrals, some genuine light appears at last to have burst forth, and the increased cultivation of the staple articles of West-India produce beyond the general consumption of the world, appears now universally admitted to be the real cause of the misfortunes of the planter*.

* The last Edinburgh Review, and Mr. Spence, in his "Radical Causes of the present Distresses of the West-India Planters," have ex-

Every merchant understands the natural tendency of extraordinary scarcity or abundance to reproduce each other. The destruction of St. Domingo occasioned high prices of sugar and coffee throughout the world: these high prices encouraged an increased cultivation in the islands, which now again produces a general glut of these articles. The present low prices, which are a natural consequence, it is stated and I believe truly, do not always pay the planter the expense of cultivation. The chasm produced by the sudden loss of St. Domingo, has been now more than filled up by the increased produce of foreign colonies, and especially of Cuba, while the consumption on the Continent of Europe has certainly been very much reduced. The British planters, however, were most unfortunately tempted into the competition of raising sugar for those European countries who have no colonies of their own; forgetting that the comparative want of fertility of our islands for ever disables them from supplying any market of which they have not the monopoly*; at least, for any longer period than until other colonies are able to overtake them.

It was in 1792, that the numerous advisers of the West-India planters should have stood forward to warn them of the dangers they were encountering, instead of now catching in hopeless despair at palliatives, which would rather increase the evil arising from one of the strongest instances ever witnessed, of extensive and imprudent speculation.

This subject will be fully explained by the following short

amined this subject in the most satisfactory manner, and must, I think, fix the opinion of the public. I do not, however, concur with Mr. Spence in undervaluing the West-India trade. The arguments on this subject belong rather to opinions very ingeniously urged by the same gentleman in another work against foreign trade generally, and in which I by no means concur. It is, I think, a fortunate circumstance that we can supply ourselves with sugar from our own colonies, and I should be much pleased to see that we could also supply part of the Continent, if it were permanently practicable.

* The small island of St. Christopher alone can, I believe, be compared for fertility with Cuba or St. Domingo. The average fertility of St. Domingo is said to be more than three times greater than that of Jamaica. This was in 1789 justly considered by the Committee of the House of Commons as an insuperable disadvantage. See Brougham's Colonial Policy, p. 521.

statement of the article of sugar for the years 1773, 1787, and 1804, taken from Sir William Young's common place Book.

Year.	Imported.	Exported.	Consumed.	
1773	126,000	13,600	112,400	} Hogsheads of 13 Cwt.
1787	136,000	10,600	126,000	
1804	274,000	124,150	150,430	

By which it appears that our former exports were insignificant, but that we have now to find a foreign demand for nearly one half of the whole quantity imported. Instead of looking for that demand, which can never be found either during peace or war, the planters will do wisely to attend to the only other remedy of reducing the supply ; for in encouraging any other hope he must infallibly be deluded. No man can consider the distress, which has been repeatedly described, and cannot easily be exaggerated, without feelings of deep regret ; but a radical remedy can only come from what Mr. Spence, in his excellent pamphlet on this subject, calls the *vis medicatrix nature*. For let us suppose even that we could succeed in shutting up all the produce in the enemies colonies, and that the continent were reduced to the necessity of consuming that of our islands, which might then even be increased, the evil would be thereby delayed, but it would be aggravated. If no means can be pointed out, by which a permanent demand can be produced, the best advice the planter can receive, is to meet distress, which is inevitable, but which must also be temporary, with economy and fortitude.

But if it were desirable to procure a momentary relief by exportation to the continent, the Orders in Council appear rather to check than promote it. Their menacing tone has excited irritation, and produced increased rigour on the other side.—By extinguishing the only remaining neutral, the means of introduction of our merchandise are diminished* ; and as the Americans are permitted to bring the produce of the West-Indies to this country for re-exportation, every pound of sugar so imported must be sent abroad, before that of our own colonies can be afforded, as must also all articles imported from the Brazils, or cap-

* It must be known to the Board of Trade, that considerable facilities were derived from the American flag, which it would be useless and perhaps mischievous to notice in detail.

tured at sea, which are not to be admitted for home consumption*.

The time which has been chosen for the introduction of this new system, has been also, as it regards our colonists, particularly unfortunate. We appear to have waited until the increased power of our great enemy had at last enabled him to close every port against us. Had a single opening remained, we might have some chance of promoting the sale of our own colonial produce by stopping the intercourse of neutrals, but at present our only reliance must be on that irresistible necessity of sugar and coffee, which is to compel the enemy to yield in this warfare of commerce. This opinion is too extravagant for the most dependent individual in this country of comforts and luxuries, and must at once vanish when the military hardships of the French soldier, and the more substantial sufferings of the peasantry they are quartered upon, are considered.

A general and, I think, an exaggerated opinion, prevails, of the means of commerce to force its own circulation. The author of "War in Disguise" comforts us with the assurance that even our own hostilities would not overcome the expansive force of our own commerce†.

In this, as in many other instances, allowance is not made for the total change of the world. The opinion is perfectly correct when applied to Europe divided into different independent governments; but I fear we shall find, from experience, the means of exclusion more perfect than we appear to expect. At present, the prices of American and colonial produce on the continent are more than double those in this country; and the

* It appears, from Mr. Rose's declaration in the House of Commons, that Brazil sugars are only to be admitted for re-exportation. Such an admission is almost an equal injury to the planter as if they were received for home consumption, as long as we want a vent for 140,000 hogsheads from our own colonies. I know nothing of the intended regulations of the commerce of the Brazils, but if we wish to strengthen the power of the prince over his new subjects, we should refrain from attempts at monopoly; but on the contrary encourage every means of finding a good market for their produce. The people will judge of the value of the new revolution by its immediate consequences, and the character of these first impressions must depend very much upon our advice and concurrence.

† P. 210.

temptation to adventurers is sufficiently great, if the hazard were attended with any chance of success. If the commerce of America were left alone, we could indeed at present send our sugar and coffee with advantage through that country, and the certificates of origin would not be found the formidable obstacle which has been apprehended.

Before I leave the subject of the West-Indies, I must observe that the only remedy which appears to me to promise some permanent and much temporary relief, is to open the ports to neutrals generally. If it be true that, under the present plan of bringing all their produce to this country, that produce must soon be confined to our own consumption, who could possibly be injured by giving the planter the chance of disposing of the surplus? If the ship-owner can only ultimately earn a freight on the sugar consumed at home, what injury could it be to him, if afterwards all the world were supplied by our colonies? The policy of favouring our own shipping cannot be doubted; but if restrictions, injurious to other classes of the community, are for that purpose sometimes necessary, we should at least carefully ascertain that they really produce the benefits they profess. By permitting our colonists to sell to neutrals, I do not think they could in that, or any other manner, supply the consumption of Foreign Europe; but they might partially furnish that of America, of which the French and Spanish colonies have the monopoly. At present, by the most absurd policy, our planters are prevented from paying for the large amount of provisions and supplies from America by a return of their own produce, which would willingly be received, because the whole of it must go to the mother country, where it can only sell at a loss.

If the complaints of the West-India planters of the neutral trade of America are founded in error, those of the other great commercial bodies are supported by still less plausible ground. The continent of Europe, it seems, will not take the manufactures of India from Leadenhall-street, and the Americans are accused of introducing them into different parts of the world from their own country. Considering the Company in the mixed character of sovereigns and merchants, their first object must be, that the consumption should not be checked; and I should rather have expected that the efforts of America to circulate the manufactures of India in countries to which we have no access,

would have been promoted and encouraged. If we have always thought it good policy to permit the intercourse of neutrals with our Indian possessions, the Americans are, in every respect, to be preferred to those of the North of Europe. Their political institutions prevent their forming any settlements in India, and habits and language will always lead them to ours. They have no manufactures of their own to interfere with us, but always go to market with money. Their intercourse, therefore, in every point of view, must be politically inoffensive and commercially beneficial. If a war with America should destroy the whole of her trade to India and China, we should probably feel severely the want of silver. To Bengal the Americans may be computed to send about half a million sterling annually in Spanish dollars, and about the same sum to China, which is certainly much more than is sent from Great-Britain. It is immaterial who brings the silver into the market, of which it facilitates the general circulation. At Canton, I understand it is indispensably necessary, as the merchants are obliged to pay the duties in silver; but if brought there by the Americans, the Company is equally enabled to circulate the manufactures of this country. It appears, from a return made to the House of Commons, that the value of British manufactures exported to China has been gradually but rapidly increasing. In 1782, it amounted to £105,041, in 1792, to £559,651, and in 1805, to £1,102,620. I am not able to ascertain what quantity of silver has been sent during the same period, but I have no doubt that it has diminished since the regular supply of the market by the Americans; and that our factory has not only been able, by this circumstance, to increase the sale of our manufactures, but also to provide, in a greater degree than formerly, for their purchases, by drafts on the Company at home, and on the different presidencies in India.

The interest of the ship-owner remains only to be considered, whose prosperity must depend upon that of the different branches of commerce, and whose case might therefore be said to be determined by theirs. The shipping interest never fail to avail themselves of their connexion with our naval power in forcing their complaints and opinions, which, it is to be regretted, is frequently done with a disposition to indiscriminate monopoly, which all commercial bodies acting together never fail to show. A few commonplace phrases about our *Old Navigation Laws* and

our *Maritime Rights*, answer the place of argument, and little trouble is taken to ascertain in how far they may or may not be really injured by any remedies suggested for the relief of others. This domineering spirit falls principally upon the West-India Planters and of the loudness and extent of the outcry before they are even hurt, some opinion may be formed by recollecting the clamour against the American Intercourse Act. It is to be hoped, however, that no Ministers will be withheld by political cowardice from administering equitably and impartially between the different commercial interests of the country; and that, where the encouragement of our shipping requires restrictions and monopolies, which I by no means deny, that their efficacy and utility will be thoroughly investigated.

In the general paths of trade, the American does not appear to interfere much with the British ship-owner. In the ports of our enemies, the latter is of course excluded, and deprived of nothing by the former. The supply of our West-India islands with provisions and lumber, appears the only essential point of collision. My limits will not permit me here to examine this question minutely, and I shall barely state my opinion, that during war, proper and adequate supplies can only be furnished by the United States, and in their own vessels. It may be proper in this place to correct an error which appears general, namely, that America claims a *right* of intercourse with our colonies—a claim which has been enumerated among her other encroachments, and a most extraordinary one it certainly would be. We have an undoubted right of regulating every thing relating to our colonies. America may also regulate for herself; she may prohibit any communication with our colonies, unless in the manner most agreeable to her; or she may more or less encourage, by distinguishing duties, the manufactures of different European countries, according as they permit an intercourse with their colonies on liberal terms. These reciprocal rights may produce an agreement by treaty, but no pretensions to interfere in a legitimate exercise of sovereignty could be urged on either side.

The prosperity of our shipping interest requires as much as that of every other branch of trade, that the occasional fluctuation of demand and supply should not be interfered with. At the close of the last war, we restored colonies which had employed near 100,000 tons of shipping; and we had discharged a

great number of transports. Although the causes as well as the consequences of such events could not easily be mistaken, yet an alarm must be immediately given, and a noble author thought proper to increase it, by giving the public a list of all the ships for sale in the river, with the interesting addition of the names of the brokers*. The whole amount of tonnage for sale in the summer of 1802 amounted by this account to 36,299 tons, and, considering all circumstances, it must appear surprising that it was not greater. Another author†, in the same strain of alarm, tells us that in 1806, 18,000 tons of shipping were for sale in the river—a quantity which hardly appears to exceed that stock on hand which the circulation of trade must require. A return made to the House of Commons shows that between the 24th March and 8th August, 1807, transports were taken up for home service to the amount of 31,278 tons. How could they have been procured, if there had not been a large portion of shipping unemployed? The public service, and the occasional operations of merchants, necessarily require a stock of unemployed shipping, which will regulate itself better by the interest of the parties than by the officious interference of Government. If our commercial shipping should decline, at a time when we can sail scarcely to a part of the Continent of Europe, it cannot be matter of surprise; but do not let us look for remedies which are not to be found; nor destroy, through a blind ignorance, the only valuable intercourse we have remaining.

The prejudices which are encouraged against America, make us even mistake the most important benefits for injuries. It has been mentioned as a subject of complaint, that the Americans have even monopolized the carrying of our fisheries on the banks of Newfoundland. Of the truth of this fact there can be no doubt. Our fishermen either sell to the merchants of Boston, or ship through them for their own account to the different parts of Europe; and it appeared from some representations to the Board of Trade, that when the Orders of Council issued, one house in Poole had 5000 quintals of fish at sea under the American flag. Nothing can undoubtedly be more repugnant to the *old system of laws under which we have flourished*, but at the same time nothing can more clearly show how inapplicable

* Lord Sheffield on the Navigation and Colonial system.

† Concessions to America, &c.